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## LEGISLATIVE HISTORY

Public Law 692

H.R. 8385

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INDEX AND SUMMARY OF H. R. 8385

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March	14, 1956	House subcommittee ordered H. R. 8385 reported.
April	18, 1956	House committee reported H. R. 8385 with amendment. House Report No. 2009. Print of bill and report.
May	7, 1956	House passed H. R. 8385 as reported.
May	9, 1956	H. R. 8385 was referred to Senate Committee on Interior and Insular Affairs. Print of bill as referred.
June	4, 1956	Senate subcommittee ordered H. R. 8385 reported without amendment.
June	12, 1956	Senate committee ordered H. R. 8385 reported without amendment.
June	26, 1956	Senate committee reported H. R. 8385 without amendment. Senate Report No. 2352. Print of bill and report.
July	2, 1956	Senate passed H. R. 8385 without amendment.
July	11, 1956	Approved: Public Law 692, 84th Cong.



DIGEST OF PUBLIC LAW 692

PUERTO RICAN HURRICANE LOANS. Transfers from the Interior Department to the Agriculture Department the authority, functions, obligations, and documents relating to Puerto Rican hurricane relief loans. Authorizes the Secretary of Agriculture to settle debts resulting from such loans. Authorizes crediting to current appropriations any funds collected pursuant to this act, to the extent necessary to reimburse such appropriations for expenditures required in the administration of these authorities.









84TH CONGRESS  
2D SESSION

# H. R. 8385

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 12, 1956

Mr. O'BRIEN of New York introduced the following bill; which was referred to the Committee on Interior and Insular Affairs

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## A BILL

To transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the authority, functions, obligations, and documents  
4       relating to Puerto Rican hurricane relief loans to individual  
5       coffee planters, coconut planters, fruitgrowers, or other  
6       agriculturalists (45 Stat. 1067, and 45 Stat. 1627, as modi-  
7       fied by 49 Stat. 926 and 49 Stat. 928), heretofore trans-  
8       ferred to the Division of Territories and Island Possessions,  
9       Department of the Interior, pursuant to the public resolution  
10      of June 3, 1935 (49 Stat. 320), and to the Secretary of

1 the Interior pursuant to Reorganization Plan Numbered 3  
2 of 1950 (64 Stat. 1262), are hereby transferred to the  
3 Secretary of Agriculture. The authority of the Secretary of  
4 Agriculture described in the Act of December 20, 1944,  
5 and in section 41 (g) of the Bankhead-Jones Farm Tenant  
6 Act, as amended (7 U. S. C., sec. 1015 (g)), is hereby  
7 extended, as additional authority, to apply to the obliga-  
8 tions and documents transferred by this section.

9       SEC. 2. There are hereby transferred to the Public Hous-  
10 ing Commissioner all right, title, and interest, including con-  
11 tractual rights and reversionary interests, held by the Federal  
12 Government in and with respect to the apartment develop-  
13 ment in San Juan, Puerto Rico, known as the Falansterio  
14 Apartments, heretofore administered by the Secretary of  
15 the Interior. All of the powers, duties, and responsibilities  
16 of the Secretary of the Interior under the private sales con-  
17 tract executed on July 1, 1948, by the United States, repre-  
18 sented by the Assistant Administrator of the Puerto Rico  
19 Reconstruction Administration, and the Cooperative Asso-  
20 ciation of the Falansterio, and transferred to the Secretary  
21 of the Interior pursuant to Reorganization Plan Numbered  
22 3 of 1950 (64 Stat. 1262), are hereby transferred to the  
23 Public Housing Commissioner. If, under the terms of the  
24 private sales contract, the Public Housing Commissioner  
25 takes possession of the Falansterio Apartments, or any part

1 thereof, he is authorized to improve and administer the prop-  
2 erty, to release or convey any part thereof, and to otherwise  
3 dispose of the remaining property when he finds that any  
4 breach in the terms of the private sales contract cannot be  
5 cured to permit redelivery of possession thereunder.

6 SEC. 3. Any funds collected by the Secretary of Agri-  
7 culture under section 1 hereof, or by the Public Housing  
8 Commissioner under section 2 hereof, may be credited to ap-  
9 propriations current at the time such funds are received, to  
10 the extent necessary to reimburse such appropriation for  
11 expenditures required in the administration of this Act.

12 SEC. 4. All deeds pertaining to property of the Puerto  
13 Rico Reconstruction Administration executed by the Secre-  
14 tary of the Interior or his designees subsequent to February  
15 15, 1955, are hereby confirmed.

16 SEC. 5. This Act shall take effect upon its approval.

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## A BILL

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To transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

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By Mr. O'BRIEN of New York

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JANUARY 12, 1956

Referred to the Committee on Interior and Insular  
Affairs







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 15, 1956  
For actions of March 14, 1956  
84th-2nd, No. 45

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HIGHLIGHTS: Senate continued debate on farm bill. Rep. Sullivan urged establishment of food-stamp plan. House subcommittee ordered reported bill regarding land purchase in Superior Forest.

## SENATE

1. FARM PROGRAM. Continued debate on S. 3183, the farm bill. pp. 4154-71, 4172-4200

Agreed to the following amendments:

- By Sen. Stennis, to make cotton allotments for 1957 and 1958 the same as for 1956. pp. 4166-8
- By Sen. Hayden, to broaden the Sec. 22 quota for cotton to include certain real long staples now exempt, and requires CCC to sell for export domestically produced long staple cotton in an amount equal to an amount earlier obtained for stockpile purposes. p. 4168
- By Sen. Humphrey, to increase Title II (Public Law 480) funds from \$300 million to \$500 million, permit payment of ocean freight on such shipments, authorize CCC to pay processing costs under Sec. 416 donations, and permit payment of ocean freight (to be financed out of Title II funds) for such shipments. pp. 4168-71
- By Sen. Byrd, to change the marketing penalty provision for peanuts from 50 to 75 percent of the support price. pp. 4165-66
- By Sen. Humphrey, to extend the school milk and brucellosis eradication programs, by a vote of 89 to 6 (same as bill previously passed by the Senate and now in conference). pp. 4180-89
- By Sen. O'Mahoney, as modified, to provide that the Secretary shall submit to Congress prior to Feb. 1, 1957 a full program of operations under the bill which will require expenditures prior to July 1, 1957, and that after February 1, 1957, no funds of the CCC shall be used for carrying out the provisions of the bill. pp. 4194-96

By Sen. Bennett, to provide for a full and complete study of the present voluntary meat grading system. pp. 4196-4199

Rejected the following amendments:

By Sen. George, to strike out the provision in the bill for cotton supports to be based on average grade and staple length, by a vote of 42 to 47. The effect of the amendment would have been to return to the provision (in existing law) for 7/8 inch middling. pp. 4154-61

By Sen. McCarthy, to provide for 90% price supports for dairy products. pp. 4161-65

By Sen. Payne, to provide that commodities other than those basic commodities appearing under title I of the Agricultural Act of 1949 as amended be eligible to participate in the acreage reserve program, by a vote of 29 to 58. pp. 4189-94

Sen. Barrett submitted and later withdraw an amendment to provide an import quota on woolen fabrics. pp. 4199-4200

Pending at adjournment was an amendment by Sen. Aiken to eliminate the use of the dual parity formula permitted by the bill. p. 4200

2. NOMINATIONS. The Interstate and Foreign Commerce Committee reported the nominations of Donald P. McPherson and Laurence Walrath to be Commissioners of ICC. p. 4141
3. ELECTRIFICATION. Sen. Langer inserted an REA coop letter referring to a series of resolutions adopted at their annual meeting. p. 4142
4. FORESTRY; MINING. Sen. Goldwater defended the actions of Secretary McKay in the Al Sarena "case," and inserted a newspaper editorial in support of his position. p. 4149  
Sen. Bennett inserted a statement he had prepared concerning the need for improving national forest recreation facilities. p. 4200
5. MEAT INSPECTION. Sen. Holland inserted a proclamation by the Governor of Florida commemorating the 50th anniversary of the food and drug law. p. 4151

#### HOUSE

6. NATIONAL FORESTS. The Agriculture Subcommittee on Forests ordered favorably reported H. R. 8657, to safeguard and consolidate certain areas of exceptional public value within the Superior National Forest. p. D235
7. FARM LOANS. The Interior and Insular Affairs Subcommittee on Territories ordered reported with amendment H. R. 8385, to transfer the administration of Puerto Rican hurricane loans from the Interior Department to this Department. p. D236

#### ITEMS IN THE APPENDIX

8. PERSONNEL. Speech in the House by Rep. Thomas during debate on the independent offices appropriation bill objecting to the provision relating to compulsory age retirement and stating that performance should be the test as to the capabilities of a person. p. A2311
9. SURPLUS COMMODITIES. Extension of remarks of Rep. Sullivan urging an amendment to the social-security program to provide for the establishment of a food stamp plan to distribute surplus food to needy Americans and inserting her statement before the Senate Finance Committee on this proposal and a letter which she







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued April 19, 1956  
For actions of April 18, 1956  
84th-2nd, No. 63

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HIGHLIGHTS: House failed to override President's veto of farm bill. Sens. Humphrey and Johnston criticized and others defended President's veto of farm bill. Senate received from this Department proposed bill amending Watershed and Flood Prevention Act. Senate committee reported Johnston Civil Service retirement bill. Senate committee reported bill to release Tongass Forest receipts from escrow. Senate agreed to limit debate on bill to increase U. S. contributions to FAO. House committee ordered reported bill to improve and simplify government accounting methods. Several (continued on last page)

## HOUSE

1. FARM PROGRAM. Rep. Cooley and others criticized the President's veto of H. R. 12, the farm bill, and Rep. Halleck defended the President's action. In the vote to override the veto, the question failed of the necessary two-thirds majority (202 for, 211 against). p. 5852
2. FOREIGN TRADE. Began debate on H. Res. 459, to authorize the Ways and Means Committee to make a full study of GATT and the Organization for Trade Cooperation. p. 5877  
The Ways and Means Committee reported with amendments H. R. 5550, to provide for U. S. participation in GATT and OTC (H. Rept. 2007). p. 5889
3. PERSONNEL. Both Houses received from the Attorney General a proposed bill "to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security"; to Post Office and Civil Service Committees. pp. 5771, 5889



4. FINANCES. Received from the Treasury Department the annual report on the state of finances of the Government (H. Doc. 243); to the Ways and Means Committee. p. 5889
  5. LOANS. The Interior and Insular Affairs Committee reported with amendment H. R. 8385, to provide for the transfer from the Interior Department to the Agriculture Department of authority for the collection and settlement of certain Puerto Rican hurricane relief loan debts (H. Rept. 2009). p. 5889
  6. FOOD. The Government Operations Committee issued a report on Food and Clothing Depot Utilization (H. Rept. 2013). p. 5889
  7. ACCOUNTING. The Government Operations Committee ordered reported with amendment H. R. 9593, to simplify accounting and facilitate the payment of obligations. p. D358
  8. HIGHWAYS. The Public Works Committee ordered reported H. R. 8836, to authorize appropriations for continuing the construction of highways (p. D359). The "Daily Digest" states that the committee "directed Rep. Fallon, chairman of the Subcommittee on Roads, to introduce a clean bill incorporating, as title I, the Federal Aid Highway Act of 1956 (H. R. 8836), and, as title II, the Federal Highway Revenue Act of 1956 (H. R. 9075)." p. D359
- SENATE
9. FARM PROGRAM. Sens. Humphrey and Johnston criticized and others defended the President's veto of H. R. 12, the farm bill. pp. 5806, 5830  
Sen. Payne inserted a newspaper editorial setting forth the merits of a soil bank program. p. 5789
  10. APPROPRIATIONS. Majority Leader Johnson announced that H. R. 9390, the Interior Department appropriation bill, will be taken up on Mon., Apr. 23. p. 5770
  11. WATERSHEDS; FLOOD CONTROL. Received from this Department proposed legislation amending the Watershed Development and Flood Prevention Act; to Agriculture and Forestry Committee. (For summary of provisions see Digest No. 62.) p. 5771
  12. FORESTRY. The Interior and Insular Affairs Committee reported with amendment S. 2517, to release from escrow the receipts from the sale of timber in the Tongass National Forest (S. Rept. 1778). p. 5773
  13. PERSONNEL. The Post Office and Civil Service Committee reported with amendment S. 2875, the Johnston bill to provide increased retirement benefits to retiring Federal employees (S. Rept. 1787). p. 5773
  14. FAO. Agreed to limit debate on S. J. Res. 97, which increases U. S. Contributions to FAO, to 2 hours for any amendment, motion, or appeal beginning Thurs. p. 5830
  15. FLOOD CONTROL. Passed without amendment S. 3272, to increase and make certain revisions in the general authorization for small flood-control projects. p. 5800

TRANSFERRING CERTAIN RESPONSIBILITIES OF THE SECRETARY  
OF THE INTERIOR TO THE PUBLIC HOUSING COMMISSIONER  
AND THE SECRETARY OF AGRICULTURE

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APRIL 18, 1956.—Committed to the Committee of the Whole House on the State  
of the Union and ordered to be printed

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Mr. ENGLE, from the Committee on Interior and Insular Affairs,  
submitted the following

R E P O R T

[To accompany H. R. 8385]

The Committee on Interior and Insular Affairs, to whom was referred the bill (H. R. 8385) to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Page 2, following line 8, add a new section 2 as follows:

SEC. 2. The Secretary of Agriculture is hereby authorized to sell to the Commonwealth of Puerto Rico the obligations and documents transferred to him by section 1 hereof, for such consideration as may be consistent with the purposes of the resolution of Congress creating the Puerto Rico Hurricane Relief Commission.

Page 2, line 9, renumber "SEC. 2." to read "SEC. 3."

Page 2, line 24, strike the word "contract," and insert the words "contract or otherwise,".

Page 3, strike all of lines 1 through 5 and insert the following:

thereof, he is authorized to improve and administer the property, to release, convey, or reconvey any part thereof, and to otherwise dispose of the remaining property. Notwithstanding any other provision of law, any funds collected by the Public Housing Commissioner under this section shall be available for expenses incurred by him hereunder.

SEC. 4. The Public Housing Commissioner is hereby authorized to sell to the Commonwealth of Puerto Rico, for such consideration mutually agreeable, the rights, title, and interest transferred to him by section 3 hereof with respect to the Falansterio Apartments, and to transfer to the Commonwealth of Puerto Rico the powers, duties, and responsibilities under the private sales contract executed on July 1, 1948, mentioned in section 3 hereof.

Page 3, line 6, renumber "SEC. 3." to read "SEC. 5."

Page 3, lines 7 and 8, strike the words "section 1 hereof, or by the Public Housing Commissioner under section 2 hereof," and insert the words "sections 1 and 2 hereof".

Page 3, line 12, renumber "SEC. 4." to read "SEC. 6."

Page 3, line 16, renumber "SEC. 5." to read "SEC. 7."

The purpose of H. R. 8385, as amended, introduced by Congressman O'Brien of New York as a result of an executive communication from the Department of the Interior, is to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture.

By joint resolution dated August 15, 1953 (67 Stat. 584), the Secretary of the Interior was directed to liquidate by February 15, 1955, the Puerto Rico Reconstruction Administration (PRRA), an agency of that Department established in 1935. With the exception of two activities, the liquidation was completed prior to the termination date. These 2 activities are presently being administered by 2 other agencies of the executive branch. H. R. 8385, if enacted, would transfer statutory responsibility for these two activities to other agencies, that is, the Public Housing Commissioner and the Secretary of Agriculture.

The first activity concerns loans made by the Puerto Rico Relief Commission, an agency which was established in 1928 and abolished in 1935 when its functions were transferred to the Department of the Interior. This Commission serviced the collection of payments to the United States from the Puerto Rico Reconstruction Administration. Inasmuch as the hurricane relief activities performed by PRRA were not statutory, they could not be terminated with the liquidation of PRRA, therefore the Department of the Interior arranged to transfer these functions to the Department of Agriculture. The respective Departments agreed that legislation would ultimately be proposed to accomplish the transfer to the Department of Agriculture of the Interior Department's responsibility with regard to hurricane relief loans. Section 1 of this bill will achieve this result.

H. R. 8385 has been amended in section 2 to authorize the Secretary of Agriculture to sell to the Commonwealth of Puerto Rico the obligations and documents transferred to him for such consideration as set forth by the establishment of the Puerto Rico Hurricane Relief Commission.

Section 3 pertains to the Falansterio Apartments, a housing development in San Juan, P. R., constructed by PRRA during 1936 and 1937 for the sum of \$668,000. In 1948 the property was sold to the present owners for the sum of \$601,800 under contract whereby 1 percent of the sales price would be paid quarterly to the United States for 25 years. The contract currently has approximately 18



years to run. In order to protect the United States financial interest in this contract, the Department of the Interior arranged for the Public Housing Commissioner to service the sales contract until appropriate legislation could be enacted to effect the transfer of the Interior Department's responsibilities under the Falansterio contract to the Public Housing Administration. Section 3 will effect this transfer.

Section 3 has been amended to provide that notwithstanding any other provision of law, funds collected by the Public Housing Commissioner under this section shall be available for expenses incurred by him for the purposes of this act.

H. R. 8385 has been amended by the inclusion of section 4 to authorize the Public Housing Commissioner to sell to the Commonwealth of Puerto Rico for just consideration the rights, title, and interest transferred to him by section 3 above with respect to the Falansterio Apartments, and to transfer to the Commonwealth of Puerto Rico the powers, duties and responsibilities under the Falansterio contract executed on July 1, 1948.

Section 5 authorizes the Secretary of Agriculture to reimburse his appropriations for expenditures required in carrying out sections 1 and 2 of H. R. 8385.

Section 6 confirms any deeds executed by the Secretary of the Interior or his designees with respect to PRRA subsequent to February 15, 1955.

Section 7 provides that this legislation will become effective upon its approval.

The executive communication from the Department of the Interior dated January 5, 1956, and the favorable reports of the Department of Agriculture dated February 27, 1956, and of the Housing and Home Finance Agency of the Public Housing Administration dated March 9, and March 23, 1956, are as follows:

UNITED STATES DEPARTMENT OF THE INTERIOR,  
OFFICE OF THE SECRETARY,  
*Washington 25, D. C., January 5, 1956.*

HON. SAM RAYBURN,  
*Speaker of the House of Representatives,*  
*Washington 25, D. C.*

MY DEAR MR. SPEAKER: Enclosed herewith is a draft of a proposed bill to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes. I suggest that the proposed bill be referred to the appropriate committee for consideration and I recommend that it be enacted.

The joint resolution of August 15, 1953 (67 Stat. 584), directed the Secretary of this Department to liquidate by February 15, 1955, the Puerto Rico Reconstruction Administration, an agency of this Department established in 1935. The liquidation was accomplished on the appointed date. Two activities of the Puerto Rico Reconstruction Administration could not, however, be terminated on that date, and these have consequently been performed since then by other agencies of the executive branch. The purpose of the proposed bill is to transfer statutory responsibility for these activities to such other agencies.

The first activity relates to loans made by the Puerto Rico Hurricane Relief Commission, an agency which was established in 1928 (45 Stat.

1067, as amended, 45 Stat. 1627), and abolished in 1935 (49 Stat. 320), when its functions were transferred to an agency of this Department. As a consequence of internal administrative arrangements, the Puerto Rico Reconstruction Administration, from 1946 until its liquidation, serviced the collection of payments to the United States from Puerto Rico hurricane relief loan debtors. The activities which the Puerto Rico Reconstruction Administration performed with regard to hurricane relief debtors were not statutory, and they could thus not be terminated with the liquidation of PRRA. That being so, this Department arranged to transfer to the Department of Agriculture its functions under the public resolution of December 21, 1928, which had hitherto been performed by PRRA. Pursuant to section 601 of the Economy Act (31 U. S. C., sec. 656), the Department of Agriculture has consequently, since February of this year, been servicing the collection of loans from hurricane relief debtors, on behalf of the Department of the Interior. The respective Departments agreed that legislation would ultimately be proposed to accomplish the transfer to the Department of Agriculture of the Interior Department's responsibility with regard to hurricane relief loans, and section 1 of the proposed bill would achieve this result.

Section 2 of the proposed bill pertains to the Falansterio Apartments, a housing development which was constructed by the Puerto Rico Reconstruction Administration in San Juan during 1936 and 1937 for the sum of \$668,000. On July 1, 1948, the property was sold to the Cooperative Association of the Falansterio for the sum of \$601,800. Under the terms of the sales contract between the United States and the cooperative association, the latter is required to pay 1 percent of the sales price quarterly for 25 years. The contract currently has approximately 18 years to run. In order to protect the United States' financial interest in this contract, this Department, also pursuant to arrangements concluded under section 601 of the Economy Act, provided for the servicing of the sales contract after February of this year by the Public Housing Commissioner. It was again agreed by the agencies involved that appropriate legislation would be proposed to effect the transfer of the Interior Department's responsibilities under the Falansterio contract to the Public Housing Administration. Section 2 of the proposed bill would accomplish this result.

Section 3 would authorize the Secretary of Agriculture and the Public Housing Commissioner to reimburse their appropriations for expenditures required in carrying out sections 1 and 2 of the proposed bill. Section 4 would confirm any deeds executed by the Secretary of the Interior or his designees with respect to PRRA property subsequent to February 15, 1955. Certain deeds pertaining to property conveyed by the Puerto Rico Reconstruction Administration prior to its liquidation have subsequently required correction, and the purpose of section 4 is to confirm that such deeds were properly executed. Section 5 provides that the proposed bill will become effective upon its approval.

The Bureau of the Budget has advised that there is no objection to the presentation of this proposed legislation to the Congress.

Sincerely yours,

WESLEY A. D'EWART,  
*Assistant Secretary of the Interior.*



A BILL To transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the authority, functions, obligations, and documents relating to Puerto Rican hurricane relief loans to individual coffee planters, cocoanut planters, fruit growers, or other agriculturists (45 Stat. 1067, and 45 Stat. 1627, as modified by 49 Stat. 926 and 49 Stat. 928), heretofore transferred to the Division of Territories and Island Possessions, Department of the Interior, pursuant to the public resolution of June 3, 1935 (49 Stat. 320), and to the Secretary of the Interior pursuant to Reorganization Plan No. 3 of 1950 (64 Stat. 1262), are hereby transferred to the Secretary of Agriculture. The authority of the Secretary of Agriculture described in the Act of December 20, 1944, and in section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C., sec. 1015 (g)), is hereby extended, as additional authority, to apply to the obligations and documents transferred by this section.

SEC. 2. There are hereby transferred to the Public Housing Commissioner all right, title, and interest, including contractual rights and reversionary interests, held by the Federal Government in and with respect to the apartment development in San Juan, Puerto Rico, known as the Falansterio Apartments, heretofore administered by the Secretary of the Interior. All of the powers, duties, and responsibilities of the Secretary of the Interior under the Private Sales Contract executed on July 1, 1948, by the United States, represented by the Assistant Administrator of the Puerto Rico Reconstruction Administration, and the Cooperative Association of the Falansterio, and transferred to the Secretary of the Interior pursuant to Reorganization Plan No. 3 of 1950 (64 Stat. 1262), are hereby transferred to the Public Housing Commissioner. If, under the terms of the Private Sales Contract, the Public Housing Commissioner takes possession of the Falansterio Apartments, or any part thereof, he is authorized to improve and administer the property, to release or convey any part thereof, and to otherwise dispose of the remaining property when he finds that any breach in the terms of the Private Sales Contract cannot be cured to permit redelivery of possession thereunder.

SEC. 3. Any funds collected by the Secretary of Agriculture under section 1 hereof, or by the Public Housing Commissioner under section 2 hereof, may be credited to appropriations current at the time such funds are received, to the extent necessary to reimburse such appropriation for expenditures required in the administration of this Act.

SEC. 4. All deeds pertaining to property of the Puerto Rico Reconstruction Administration executed by the Secretary of the Interior or his designees subsequent to February 15, 1955, are hereby confirmed.

SEC. 5. This Act shall take effect upon its approval.

DEPARTMENT OF AGRICULTURE,  
OFFICE OF THE SECRETARY,  
Washington, February 27, 1956.

HON. CLAIR ENGLE,  
*Chairman, Committee on Interior and Insular Affairs,*  
*House of Representatives.*

DEAR CONGRESSMAN ENGLE: This is in reply to your request of January 16 for a report on H. R. 8385, a bill to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

The Department recommends the enactment of the proposed legislation with respect to the provisions of the bill in which the Department would be directly concerned, and has no objection to other provisions in the bill not affecting the Department.

H. R. 8385 would (1) transfer from the Secretary of the Interior to the Secretary of Agriculture the authority, functions, obligations, and documents relating to Puerto Rican hurricane relief loans to individual coffee planters, coconut planters, fruit growers, or other agriculturists (45 Stat. 1067, and 45 Stat. 1627, as modified by 49 Stat. 926 and 49 Stat. 928), including the responsibility for the servicing and collection of such loans; (2) authorize the Secretary of Agriculture to settle debts resulting from Puerto Rican hurricane relief loans pursuant to the authorities of Public Law 518, approved December 20, 1944, and section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended; (3) transfer from the Secretary of the Interior to the Public Housing Commissioner all rights, title, and interest with respect to the apartment development in San Juan, P. R., heretofore administered by the Secretary of the Interior; (4) authorize the Secretary of Agriculture and the Public Housing Commissioner to credit to current appropriations any funds collected pursuant to the above authorities to the extent necessary to reimburse such appropriations for expenditures required in the administration of these authorities; and (5) confirm deeds executed by the Secretary of the Interior or his designees subsequent to February 15, 1955, pertaining to property of the Puerto Rico Reconstruction Administration.

The Department of Agriculture would have no direct interest in the provisions in items (3) and (5) above.

In connection with the liquidation of the Puerto Rico Reconstruction Administration pursuant to the requirements of Public Law 276, 83d Congress, the Department of the Interior, by letter dated February 3, 1955, proposed a transfer of responsibility for the servicing and collection of Puerto Rican hurricane relief loans to the Department of Agriculture, effective February 1, 1955, and indicated that, if this Department agreed to the proposal, the Department of the Interior would initiate legislation to permanently effect such a transfer. In a letter dated February 10, 1955, this Department informed the Department of the Interior of concurrence in the proposal. Subsequent to this exchange of correspondence, the records of accounts resulting from Puerto Rican hurricane relief loans, which had been maintained by the Puerto Rico Reconstruction Administration in Puerto Rico, were transferred to the offices of the Farmers' Home Administration, an agency of the Department, in Puerto Rico where they are now housed and serviced.

There are approximately 200 accounts outstanding with unpaid balances amounting to a little over \$108,000. The loans were made in amounts ranging from \$50 to \$20,000 each, to provide relief to individual coffee planters, coconut planters, fruit growers, and other agriculturists, as a result of damages sustained during the Puerto Rican hurricane in September 1928. We are informed that the loans were secured by first or second liens on real estate, primarily by the latter. Some of the borrowers will undoubtedly be eligible for the benefits of debt settlement if the proposed legislation is enacted. Others may be in a position to make payment to the Government under a servicing program.

Since the Department of the Interior is no longer in a position to service these accounts because of the abolishment of the Puerto Rico Reconstruction Administration, and since the Farmers' Home Administration maintains offices in Puerto Rico to deal directly with farm families, it seems appropriate that the Puerto Rican hurricane relief loan accounts still outstanding should be transferred to the Department of Agriculture.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,  
*Acting Secretary.*

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HOUSING AND HOME FINANCE AGENCY,  
OFFICE OF THE ADMINISTRATOR,  
*Washington 25, D. C., March 9, 1956.*

Re H. R. 8385, 84th Congress.

HON. CLAIR ENGLE,

*Chairman, Committee on Interior and Insular Affairs,  
House of Representatives, Washington 25, D. C.*

DEAR CONGRESSMAN ENGLE: This is in further reply to your letter of February 28, requesting the views of this Agency with respect to H. R. 8385, a bill to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

Under the provisions of this bill affecting this Agency there would be transferred to the Public Housing Commissioner all of the powers, duties, and responsibilities of the Secretary of the Interior with respect to the apartment development in San Juan, P. R., known as the Falansterio Apartments, under the private sales contract of July 1, 1948, between the Puerto Rico Reconstruction Administration and the Cooperative Association of the Falansterio. If the cooperative association should default under its contract, the Public Housing Commissioner could take possession of the property, or any part thereof, improve and administer it, release or convey any part thereof, and make other disposition of the remaining property.

This Agency would have no objection to the enactment of this bill with the following amendments:

1. In line 24 on page 2, insert "or otherwise" before the comma; in line 2 on page 3 after the word "release" strike out "or convey" and insert in lieu thereof ", convey, or reconvey"; and in line 3 on page 3 after the word "property" insert a period and strike



out the balance of the sentence. It is possible that possession of the property could be acquired through means other than under the terms of the private sales contract. These amendments would permit the Public Housing Commissioner to take the necessary action after acquisition of possession under the sales contract or otherwise and to reconvey possession when he deems it warranted.

2. Add the following sentence at the end of section 2: "Notwithstanding any other provision of law, any funds collected by the Public Housing Commissioner under this section shall be available for expenses incurred by him hereunder." In lines 7 and 8 on page 3, delete the following: "; or by the Public Housing Commissioner under section 2 hereof,". We are not certain of the effect of section 3 and are, therefore, proposing simple language that would make income available for expenses subject to the usual annual budgetary limitations submitted to and approved by Congress. This change does not affect the provisions of section 3 relating to the Secretary of Agriculture.

In view of a request from Mr. Taylor, of your staff, for an immediate report, this is being sent to you prior to clearance with the Bureau of the Budget. As soon as the Bureau's views are obtained, we will send you a supplemental report.

Sincerely yours,

ALBERT M. COLE,  
*Administrator.*

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HOUSING AND HOME FINANCE AGENCY,  
URBAN RENEWAL ADMINISTRATION,  
Washington 25, D. C., March 23, 1956.

Re H. R. 8385, 84th Congress.

Hon. CLAIR ENGLE,

*Chairman, Committee on Interior and Insular Affairs,  
House of Representatives, Washington 25, D. C.*

DEAR CONGRESSMAN ENGLE: This is to supplement my report of March 9 with respect to H. R. 8385, a bill to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

We have been informed by the Bureau of the Budget that this report is without objection insofar as the Bureau is concerned.

Sincerely yours,

ALBERT M. COLE,  
*Administrator.*

The Committee on Interior and Insular Affairs recommends the enactment of H. R. 8385.

Union Calendar No. 728

84TH CONGRESS  
2D SESSION

# H. R. 8385

[Report No. 2009]

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 12, 1956

Mr. O'BRIEN of New York introduced the following bill; which was referred to the Committee on Interior and Insular Affairs

APRIL 18, 1956

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

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## A BILL

To transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the authority, functions, obligations, and documents  
4       relating to Puerto Rican hurricane relief loans to individual  
5       coffee planters, coconut planters, fruitgrowers, or other  
6       agriculturists (45 States 1067, and 45 Stat. 1627, as modi-  
7       fied by 49 Stat. 926 and 49 Stat. 928), heretofore trans-  
8       ferred to the Division of Territories and Island Possessions,  
9       Department of the Interior, pursuant to the public resolution

1 of June 3, 1935 (49 Stat. 320), and to the Secretary of  
2 the Interior pursuant to Reorganization Plan Numbered 3  
3 of 1950 (64 Stat. 1262), are hereby transferred to the  
4 Secretary of Agriculture. The authority of the Secretary of  
5 Agriculture described in the Act of December 20, 1944,  
6 and in section 41 (g) of the Bankhead-Jones Farm Tenant  
7 Act, as amended (7 U. S. C., sec. 1015 (g)), is hereby  
8 extended, as additional authority, to apply to the obliga-  
9 tions and documents transferred by this section.

10       *SEC. 2. The Secretary of Agriculture is hereby author-*  
11 *ized to sell to the Commonwealth of Puerto Rico the obligations*  
12 *and documents transferred to him by section 1 hereof, for*  
13 *such consideration as may be consistent with the purposes*  
14 *of the resolution of Congress creating the Puerto Rico Hurri-*  
15 *cane Relief Commission.*

16       SEC. 2 3. There are hereby transferred to the Public  
17 Housing Commissioner all right, title, and interest, including  
18 contractual rights and reversionary interests, held by the Fed-  
19 eral Government in and with respect to the apartment de-  
20 velopment in San Juan, Puerto Rico, known as the Falan-  
21 sterio Apartments, heretofore administered by the Secretary  
22 of the Interior. All of the powers, duties, and responsibilities  
23 of the Secretary of the Interior under the private sales con-  
24 tract executed on July 1, 1948, by the United States, repre-  
25 sented by the Assistant Administrator of the Puerto Rico



1 Reconstruction Administration, and the Cooperative Asso-  
2 ciation of the Falansterio, and transferred to the Secretary  
3 of the Interior pursuant to Reorganization Plan Numbered  
4 3 of 1950 (64 Stat. 1262), are hereby transferred to the  
5 Public Housing Commissioner. If, under the terms of the  
6 private sales ~~contract~~ *contract or otherwise* the Public Hous-  
7 ing Commissioner takes possession of the Falansterio Apart-  
8 ments, or any part thereof, he is authorized to improve and  
9 administer the property, to release or convey any part  
10 thereof, and to otherwise dispose of the remaining property  
11 when he finds that any breach in the terms of the private sales  
12 ~~contract~~ cannot be cured to permit redelivery of possession  
13 ~~thereunder~~ *thereof*, he is authorized to improve and admin-  
14 *ister the property, to release, convey, or reconvey any part*  
15 *thereof, and to otherwise dispose of the remaining property.*  
16 *Notwithstanding any other provision of law, any funds col-*  
17 *lected by the Public Housing Commissioner under this section*  
18 *shall be available for expenses incurred by him hereunder.*

19 SEC. 4. The Public Housing Commissioner is hereby  
20 authorized to sell to the Commonwealth of Puerto Rico, for  
21 such consideration mutually agreeable, the rights, title, and  
22 interest transferred to him by Section 3 hereof with respect  
23 to the Falansterio Apartments, and to transfer to the Com-  
24 monwealth of Puerto Rico the powers, duties, and responsi-

1 *bilities under the private sales contract executed on July 1,*  
2 *1948, mentioned in Section 3 hereof.*

3       SEC. ~~3~~ 5. Any funds collected by the Secretary of Agri-  
4 culture under ~~section 4 hereof, or by the Public Housing~~  
5 ~~Commissioner under section 2 hereof~~ *sections 1 and 2 hereof,*  
6 may be credited to appropriations current at the time such  
7 funds are received, to the extent necessary to reimburse such  
8 appropriation for expenditures required in the administra-  
9 tion of this Act.

10       SEC. 4 6. All deeds pertaining to property of the Puerto  
11 Rico Reconstruction Administration executed by the Secre-  
12 tary of the Interior or his designees subsequent to February  
13 15, 1955, are hereby confirmed.

14       SEC. ~~5~~ 7. This Act shall take effect upon its approval.



84TH CONGRESS  
2D SESSION

H. R. 8385

[Report No. 2009]

## A BILL

To transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

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By Mr. O'BRIEN of New York

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JANUARY 12, 1956

Referred to the Committee on Interior and Insular Affairs

APRIL 18, 1956

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued May 8, 1956  
For actions of May 7, 1956  
84th-2nd. No. 74

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HIGHLIGHTS: Sen. Ellender announced Agriculture Committee will not hold hearings on farm bill. Sen. Stennis recommended exportation of more cotton. House passed bill to transfer Puerto Rican hurricane loans. House passed bill to establish fish hatchery in Pisgah Forest. Both Houses received USDA proposal to increase CCC borrowing power. Sen. Young, et al, introduced and Sen. Young discussed bill to provide limit imports of surplus agricultural commodities. Sen. Humphrey, et al, and Rep. Knutson and Metcalf introduced, and Sen. Humphrey discussed, omnibus family farm credit bills.

## HOUSE

1. FARM LOANS. Passed as reported H. R. 8385, to transfer from Interior to Agriculture the administration of remaining Puerto Rican hurricane relief loans. pp. 6816-7
2. FORESTRY. Passed as reported H. R. 9822, to require the Secretary of the Interior, after consulting with the Secretary of Agriculture, to establish and operate a trout hatchery in the Pisgah National Forest, N. C. p. 6830
3. CCC BORROWING POWER. Both Houses received from this Department a proposed bill to increase CCC borrowing power by \$2 billion; to House Banking and Currency Committee and Senate Agriculture and Forestry Committee. pp. 6881, 6704
4. FOREIGN AID. Both Houses received the President's report on operation of the Mutual Security Program from July 1 to Dec. 31, 1955; to House Foreign Affairs Committee and Senate Foreign Relations Committee (H. Doc. 369). pp. 6810, 6703
5. LANDS. Passed as reported H. R. 9451, to provide that certain lands (formerly administered by this Department) be held in trust for the Seminole Indians. p. 6829

6. RECLAMATION. Both Houses received from the Interior Department a report on a soil survey and land classification in the Sacramento Canals Unit, Central Valley project, Calif. pp. 6881, 6704
7. ACCOUNTING. H. R. 9593, to simplify accounting and facilitate payment of obligations, was passed over at the request of Rep. Whitten. p. 6822
8. SUBMARGINAL LANDS. H. R. 6815, to authorize disposition of certain Title III Bankhead-Jones lands, was passed over on objection of Rep. Byrnes of Wis. p. 6813.
9. RECORDS MANAGEMENT. S. 2364, to clarify GSA authority over records management, was passed over at the request of Rep. Magnuson. p. 6813
10. COMMODITY EXCHANGES. Rep. McIntire announced plans for hearings on futures trading for May 16, 17, and 18. p. 6812

#### SENATE

11. FARM PROGRAM. Sen. Ellender announced that the Agriculture and Forestry Committee decided not to hold hearings on H. R. 10875, the new farm bill, and that the Committee would meet on next Wed. in order to consider the House bill. (p. 6740) This bill was referred to the Committee Mon. p. 6703  
Sen. Douglas inserted the results of a study made by the Univ. of Illinois showing the decline in prices of various farm commodities. p. 6732  
Sen. Douglas inserted his statement explaining his position on the farm bill, and criticizing the present farm program and the President's veto of the farm bill. p. 6730  
Received a Cattlemen's Assoc. resolution opposing any soil-bank plan "which would allow cropping or grazing on land which farmers have received payments to lay idle." p. 6706  
Sen. Neuberger inserted a local Grange resolution favoring a food stamp plan for disposal of surplus commodities to low income groups. p. 6707
12. FOREIGN TRADE. Sen. Stennis spoke on the importance of exporting more cotton, and the possibility of passing legislation directing the setting-up of a competitive export program for cotton unless one is put into effect soon. p. 6762  
Sen. Martin, Iowa, inserted a portion of the President's report reviewing U. S. activities in connection with the Commission on International Commodity Trade and a letter opposing U. S. participation in the Commission, and indicated he now supports our participation in the Organization for Trade Cooperation. p. 6761  
Sen. Martin spoke in favor of foreign economic development through a greatly expanded flow of private investment, and inserted several statements on the matter. p. 6760  
Sen. Mansfield inserted part of the President's address before the American Society of Newspaper Editors on foreign policy, including references to our cotton trade with Japan. p. 6738  
The Foreign Relations Committee submitted a report on Technical Assistance and Related Programs, and Sen. Mansfield inserted his statement to the press on the findings and recommendations of the Committee. (S. Rept. 1956). p. 6713  
Sen. Bridges inserted a N. H. citizens petition favoring a reappraisal of our foreign-aid program. p. 6706



With the following committee amendment:

Strike all after the enacting clause and insert the following: "That the second paragraph under the heading 'National Park Service' in the act of July 31, 1953 (67 Stat. 261, 271) is amended to read as follows: 'The Secretary of the Interior shall hereafter report in detail all proposed awards of concession leases and contracts involving a gross annual business of \$100,000 or more, or of more than 5 years in duration, including renewals thereof, 60 days before such awards are made, to the President of the Senate and Speaker of the House of Representatives for transmission to the appropriate committees.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### CAMP LIVINGSTON, CAMP BEAUREGARD, AND ESLER FIELD, LA.

The Clerk called the bill (S. 637) to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, La., to the State of Louisiana, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Army is authorized and directed, if he determines that the real property comprising Camp Livingston, Camp Beauregard, and Esler Field, or any part thereof, is available for conveyance to the State of Louisiana for the training and support of the National Guard of Louisiana, to convey all the right, title, and interest of the United States in such property, together with improvements thereon and appurtenances thereunto belonging, to the State of Louisiana by quitclaim deed, without monetary consideration therefor, but upon condition that it shall be used for the aforesaid purposes and if such real property shall ever cease to be used for such purposes, all the right, title, and interest in and to such real property shall revert to and become the property of the United States which shall have the immediate right of entry thereon, and to be further subject to the reservation by the United States of all mineral rights, including oil and gas; the right of reentry and use by the United States in the event of need therefor during a national emergency; and such other reservations, terms and conditions as the Secretary determines to be necessary to properly protect the interests of the United States.

Sec. 2. The cost of any surveys necessary as an incident of the reconveyance authorized herein shall be borne by the State of Louisiana.

The bill was ordered to be read a third time, and passed, and a motion to reconsider was laid on the table.

#### AMENDING SECTION 303 OF THE CAREER COMPENSATION ACT OF 1949

The Clerk called the bill (H. R. 5268) to amend section 303 of the Career Compensation Act of 1949 to authorize the payment of mileage allowances for overland travel by private conveyance outside the continental limits of the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, may we have a brief explanation of this bill?

Mr. KILDAY. Mr. Speaker, I shall be glad to attempt to explain it.

(Mr. KILDAY asked and was given permission to revise and extend his remarks.)

Mr. KILDAY. The purpose of H. R. 5268, as amended, is to amend section 303 of the Career Compensation Act of 1949 so as to authorize the payment of mileage allowances for overland travel by private conveyance outside the continental limits of the United States.

Under the present provisions of the Career Compensation Act of 1949, a mileage allowance for overland travel by privately owned conveyance may be paid only to members of the uniformed services performing that travel within the continental limits of the United States. Members of the uniformed services performing overland travel beyond the continental limits of the United States at personal expense, are limited to a per diem allowance at the rate established for the country involved plus a monetary allowance in lieu of transportation which allowance has been fixed under the joint travel regulations at 5 cents per mile. The per diem allowance is payable for the time which would have elapsed had the travel been performed by common carrier. The monetary allowance in lieu of transportation is payable for a distance computed over the shortest usually traveled route, normally the railroad. Since most of these reimbursement payments are made in the United States, the disbursing officer making the payment must attempt to ascertain the time which would have elapsed had the travel been performed by common carrier. There is considerable delay in obtaining this information and the disbursing officer must refer the voucher to higher command since individual disbursing officers cannot possibly have at hand train schedules showing elapsed time from the many places and routes over which personnel could have traveled from all duty stations all over the world. Members of the uniformed services performing similar travel within the continental limits of the United States may be paid a mileage allowance fixed under the joint travel regulations at 6 cents per mile.

Enactment of the proposed legislation will thus reduce administrative costs and will permit the establishment of a more simplified mileage system for travel performed outside the continental limits of the United States in privately owned conveyances.

The committee amendment is technical in nature. Since the introduction of the proposed legislation section 303 (a) of the Career Compensation Act was amended by the addition of a new sentence. Thus, the proposed legislation will amend the fifth sentence of section 303 (a) instead of the fourth sentence.

Enactment of the proposed legislation would cause no increase in the budgetary

requirements of the Department of Defense.

The Department of Defense recommends enactment of the proposed legislation and the Bureau of the Budget interposes no objection.

Mr. GROSS. There will be no increased cost to the Government?

Mr. KILDAY. No; there will not.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That section 303 of the Career Compensation Act of 1949 is amended by amending the fourth sentence of subsection (a) by deleting in clause (3) thereof the words "for travel within the continental limits of the United States."

With the following committee amendment:

On page 1, lines 4 and 5, delete the words "by amending the fourth sentence of subsection (a)" and inserting, after the words "clause (3)", the words "of the fifth sentence."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### DIRECTOR AND ASSISTANT DIRECTORS OF UNITED STATES MARINE CORPS BAND

The Clerk called the bill (H. R. 8290) to provide for the appointment and promotion of the director and assistant directors of the band of the United States Marine Corps, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That subsection 517 (a) of the act of October 12, 1949 (63 Stat. 833) is amended to read as follows:

"(a) The band of the United States Marine Corps shall consist of 1 director, 2 assistant directors, and such other personnel in such numbers and distributed in such grades and ranks as the Secretary of the Navy may determine necessary and appropriate. Hereafter during concert tours approved by the President, personnel of the Marine Band shall suffer no loss of allowances."

Sec. 2. (a) The Secretary of the Navy shall designate the director and assistant directors of the Marine Band from among qualified personnel of the United States Marine Corps or the United States Marine Corps Reserve. Persons so designated may, upon the recommendation of the Secretary of the Navy, be appointed by the President, by and with the advice and consent of the Senate, to commissioned grades in the Regular Marine Corps as authorized by this act.

(b) The initial appointment to a commissioner grade of any person designated as director shall be in the grade of captain except that any such person who, at the time of such designation, holds an appointment in a higher grade may be appointed in such higher grade, but not in a higher grade than that of lieutenant colonel. The initial appointment to a commissioned grade of any person designated as an assistant director shall be in a grade below that of captain.

Sec. 3. The Secretary of the Navy shall prescribe regulations for the promotion of persons designated as director or assistant director of the Marine Band and the Pres-



dent, by and with the advice and consent of the Senate, may from time to time appoint them to higher grades, but the grade of the director shall not be higher than lieutenant colonel, and the grades of assistant directors shall not be higher than captain.

Sec. 4. No person who accepts a commission under this act shall, while serving thereunder, be entitled to any pay and allowances from the United States except as provided by law for the grade in which serving, but no such person shall suffer any reduction in pay and allowances to which he was entitled at the time of such appointment.

Sec. 5. Directors and assistant directors of the Marine Band and former directors and assistant directors who have held appointments under this act, when retired shall be retired in and with retired pay based upon the highest grade held pursuant to this act in which the Secretary of the Navy determines that they have served satisfactorily, unless entitled to higher grade or retired pay under other provisions of law.

Sec. 6. The Secretary of the Navy, in his discretion, may revoke a designation as director or assistant director made pursuant to this act. Upon such revocation, appointment to commissioned grade under the provisions of this act shall terminate, and the individual concerned shall be discharged from the service or shall have the option of reversion to the grade and status held at the time of his designation as director or assistant director.

Sec. 7. Section 11 of the act of March 4, 1925 (43 Stat. 1274), as amended by section 1 (c) of the act of June 29, 1946 (60 Stat. 343), is hereby repealed, and all other laws and parts of laws are hereby repealed insofar as they may be inconsistent with the provisions of this act.

With the following committee amendment:

On page 2, line 11, delete the word "commissioner" and insert in lieu thereof the word "commissioned."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### REFUND OF REENLISTMENT BONUSES

The Clerk called the bill (H. R. 8693) to amend the Career Compensation Act of 1949, as amended, in relation to the refund of reenlistment bonuses.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the fourth provision of section 207 (a) of the Career Compensation Act of 1949, as amended (ch. 580, 65 Stat. 654; 37 U. S. C. 238 (a)), is further amended by deleting the phrase "less any amount paid in Federal or State income taxes on such refundable part."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### RELIEF OF CERTAIN MEMBERS OF THE UNIFORMED SERVICES

The Clerk called the bill (H. R. 8922) to provide for the relief of certain members of the uniformed services.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That all payments of reenlistment bonuses heretofore made under the provisions of section 208 of the Career Compensation Act of 1949, as added by section 2 of the act of July 16, 1954 (68 Stat. 488), are hereby validated to the extent that such bonuses were computed on the basis that reenlistments entered into by the member concerned subsequent to September 30, 1949, for which he did not receive a reenlistment bonus under section 207 of the Career Compensation Act of 1949, were not counted in determining the reenlistment involved. Any member who has made repayment to the United States of any amount so paid to him as a reenlistment bonus is entitled to have refunded the amount repaid.

Sec. 2. The Comptroller General of the United States, or his designee, shall relieve disbursing officers, including special disbursing agents, of the United States, from accountability for any payments described in section 1 of this act, and shall allow credits in the settlement of the accounts of those officers or agents for payments which are found to be free from fraud and collusion.

Sec. 3. Appropriations available for the pay and allowances of members of the uniformed services, as defined in the Career Compensation Act of 1949, are available for refunds under this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### LAND TRANSFER TO WHIPPLE, ARIZ.

The Clerk called the bill (S. 2851) to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That jurisdiction over 1,320 acres of land, more or less, formerly a part of the Fort Whipple Military Reservation, Ariz., and subsequently transferred to the Veterans' Administration by section 6 of the act of March 4, 1931 (46 Stat. 1550), is hereby transferred to the Secretary of the Interior, and the title to such lands shall be held by the United States in trust for the Yavapai Indians, subject to any valid and existing rights in such lands. The description of the lands hereby transferred shall be determined by the Administrator of Veterans' Affairs and the Secretary of the Interior, jointly, and in the event a survey is required to make such determination, the Department of the Interior shall bear the expense thereof. The transfer shall be subject to such terms, conditions, reservations, and restrictions as the Administrator of Veterans' Affairs, after consultation with the Secretary of the Interior, determines to be necessary to protect the interest of the Veterans' Administration Center, Whipple, Ariz.

The bill was ordered to be read a third time, and passed, and a motion to reconsider was laid on the table.

#### TRANSFERRING CERTAIN RESPONSIBILITIES OF SECRETARY OF INTERIOR TO PUBLIC HOUSING COMMISSIONER AND SECRETARY OF AGRICULTURE

The Clerk called the bill (H. R. 8385) to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secre-

tary of Agriculture, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the authority, functions, obligations, and documents relating to Puerto Rican hurricane relief loans to individual coffee planters, coconut planters, fruitgrowers, or other agriculturists (45 Stat. 1067, and 45 Stat. 1627, as modified by 49 Stat. 926 and 49 Stat. 928), heretofore transferred to the Division of Territories and Island Possessions, Department of the Interior, pursuant to the public resolution of June 3, 1935 (49 Stat. 320), and to the Secretary of the Interior pursuant to Reorganization Plan No. 3 of 1950 (64 Stat. 1262), are hereby transferred to the Secretary of Agriculture. The authority of the Secretary of Agriculture described in the act of December 20, 1944, and in section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C., sec. 1015 (g)), is hereby extended, as additional authority, to apply to the obligations and documents transferred by this section.

Sec. 2. There are hereby transferred to the Public Housing Commissioner all right, title, and interest, including contractual rights and reversionary interests, held by the Federal Government in and with respect to the apartment development in San Juan, Puerto Rico, known as the Falansterio Apartments, heretofore administered by the Secretary of the Interior. All of the powers, duties, and responsibilities of the Secretary of the Interior under the private sales contract executed on July 1, 1948, by the United States, represented by the Assistant Administrator of the Puerto Rico Reconstruction Administration, and the Cooperative Association of the Falansterio, and transferred to the Secretary of the Interior pursuant to Reorganization Plan No. 3 of 1950 (64 Stat. 1262), are hereby transferred to the Public Housing Commissioner. If, under the terms of the private sales contract the Public Housing Commissioner takes possession of the Falansterio Apartments, or any part thereof, he is authorized to improve and administer the property, to release, or convey any part thereof, and to otherwise dispose of the remaining property when he finds that any breach in the terms of the private sales contract cannot be cured to permit redelivery of possession thereunder.

Sec. 3. Any funds collected by the Secretary of Agriculture under section 1 hereof, or by the Public Housing Commissioner under section 2 hereof, may be credited to appropriations current at the time such funds are received, to the extent necessary to reimburse such appropriation for expenditures required in the administration of this act.

Sec. 4. All deeds pertaining to property of the Puerto Rico Reconstruction Administration executed by the Secretary of the Interior or his designees subsequent to February 15, 1955, are hereby confirmed.

Sec. 5. This act shall take effect upon its approval.

With the following committee amendments:

Page 2, following line 8, add a new section 2, as follows:

"Sec. 2. The Secretary of Agriculture is hereby authorized to sell the Commonwealth of Puerto Rico the obligations and documents transferred to him by section 1 hereof, for such consideration as may be consistent with the purposes of the resolution of Congress creating the Puerto Rico Hurricane Relief Commission."

Page 2, line 9, renumber "Sec. 2." to read "Sec. 3."

Page 2, line 24, strike the word "contract," and insert the words "contract or otherwise,".



Page 3, strike all of lines 1 through 5 and insert the following: "Thereof, he is authorized to improve and administer the property, to release, convey, or reconvey any part thereof, and to otherwise dispose of the remaining property. Notwithstanding any other provision of law, any funds collected by the Public Housing Commissioner under this section shall be available for expenses incurred by him hereunder."

"SEC. 4. The Public Housing Commissioner is hereby authorized to sell to the Commonwealth of Puerto Rico, for such consideration mutually agreeable, the rights, title, and interest transferred to him by section 3 hereof with respect to the Falansterio Apartments, and to transfer to the Commonwealth of Puerto Rico the powers, duties, and responsibilities under the private sales contract executed on July 1, 1948, mentioned in section 3 hereof."

Page 3, line 6, renumber "Sec. 3." to read "Sec. 5."

Page 3, lines 7 and 8, strike the words "section 1 hereof, or by the Public Housing Commissioner under section 2 hereof," and insert the words "sections 1 and 2 hereof."

Page 3, line 12, renumber "Sec. 4." to read "Sec. 6."

Page 3, line 16, renumber "Sec. 5." to read "Sec. 7."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, was read the third time, and passed, sider was laid on the table.

#### LAND TRANSFER TO CHEYENNE, WYO.

The Clerk called the bill (H. R. 9358) to require the Administrator of Veterans' Affairs to issue a deed to the city of Cheyenne, Wyo., for certain land heretofore conveyed to such city, removing the conditions and reservations made a part of such prior conveyance.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the act entitled "An act to authorize the Administrator of Veterans' Affairs to convey to the city of Cheyenne, Wyo., for public-park and golf-course purposes, certain land situated within the boundaries of the Veterans' Administration center at Cheyenne, Wyo.," approved June 29, 1948 (62 Stat. 1104; Public Law 831, 80th Cong.), is amended by striking out all of the last paragraph and adding at the end thereof the following:

"SEC. 2. The Administrator shall issue to the city of Cheyenne a quitclaim deed, quitclaiming all rights and interests of the United States with respect to such land."

With the following committee amendment:

On page 2 strike out lines 1 to 5 inclusive and insert "Congress", is amended by inserting at the end thereof the following new section:

"SEC. 2. If the city of Cheyenne, Wyo., conveys to the Administrator of Veterans' Affairs by quitclaim deed the parcel of land conveyed to it under the first section of this act, the Administrator of Veterans' Affairs shall issue to the city of Cheyenne, Wyo., a new quitclaim deed with respect to such parcel of land, conveying all right, title, and interest of the United States to such parcel. The conveyance shall be subject to such terms, conditions, reservations, and restrictions as the Administrator of Veterans' Affairs determines to be necessary to protect the interest of the Veterans' Administration Center, Cheyenne, Wyo."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### CITY OF GRAND JUNCTION, COLO.

The Clerk called the bill (H. R. 10251) to authorize the Administrator of Veterans' Affairs to deed certain land to the city of Grand Junction, Colo.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That, subject to section 2 of this act, the Administrator of Veterans' Affairs is authorized and directed to quitclaim to the city of Grand Junction, Colo., all of the right, title, and interest of the United States in and to a tract of land containing sixteen and seventy-two one-hundredths acres, more or less, situated in the Veterans' Administration hospital reservation in that city, the exact legal description of which shall be determined by the Administrator of Veterans' Affairs, and in the event a survey is required in order to make such determination, the city of Grand Junction shall bear the expense thereof.

SEC. 2. (a) The conveyance authorized by this act (1) shall provide that the tract of land so conveyed shall be used for park and recreational purposes, and if it shall ever cease to be used for such park and recreational purposes, the title to such property shall revert to the United States, provided that the hospital being presently administered and operated on the tract of land of which the said sixteen and seventy-two one-hundredths acres is a part is still used as a veterans' hospital, and in the event of a use other than that for park and recreational purposes, the United States shall have the immediate right of reentry thereon and (2) may contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interest of the United States.

(b) Notwithstanding the provisions of subsection (a) of this section, all right, title, and interest of the United States in and to the tract of land authorized to be conveyed under authority of this act, shall become vested in the city of Grand Junction, Colo., effective (1) upon the expiration of the 50-year period commencing on the date of enactment of this act, or (2) upon the date the hospital referred to in subsection (a) of this section ceases to be operated as a veterans' hospital, whichever is the earlier.

With the following committee amendment:

Page 2, line 1, after "Affairs", insert "and in the event a survey is required in order to make such determination, the city of Grand Junction shall bear the expense thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### AMENDMENT OF SOLDIERS' AND SAILORS' CIVIL RELIEF ACT OF 1940

The Clerk called the bill (H. R. 10441) to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That subsection (a) of section 400 of the Soldiers' and Sailors' Civil Relief Act of 1940 is amended by striking out "30" and inserting in lieu thereof "180."

SEC. 2. The amendment made by this act shall take effect with respect to applications for benefits made after the date of enactment of this act.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that the committee report may be inserted at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The committee report is as follows:

#### INSURANCE GUARANTEED UNDER THE SOLDIERS' AND SAILORS' CIVIL RELIEF ACT

Mr. TEAGUE of Texas, from the Committee on Veterans' Affairs, submitted the following report:

The Committee on Veterans' Affairs to whom was referred the bill (H. R. 10441) to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

#### BACKGROUND OF THE BILL

The Soldiers' and Sailors' Civil Relief Act of 1940 was enacted in the 76th Congress and was approved October 17, 1940. A similar enactment referable to World War I was approved March 8, 1918, during the 65th Congress and bore the title "Soldiers and Sailors Civil Relief Act."

The purpose of the act is to provide for the strengthening of national defense by suspending the enforcement of civil liabilities in certain cases of persons in the military service of the United States, the belief being that this is necessary to enable persons called to perform military duties to devote their energies to the defense needs of the Nation.

For the purposes of article IV (insurance) of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, World War II was deemed to have terminated July 25, 1947, in accordance with the provisions of section 4, Public Law 239 of the 80th Congress. Section 14 of Public Law 759 of the 80th Congress, June 24, 1948, known as the Selective Service Act of 1948, provided that all provisions of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, shall be applicable to all persons of the Armed Forces, including those thereafter inducted, until such time as the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, is "repealed or otherwise terminated by subsequent act of the Congress." There has been no such repeal or termination. Thus the Soldiers' and Sailors' Civil Relief Act is in full force and effect today and applies to all persons who are called upon to perform service in one of the branches of the Armed Forces of the United States.

This bill is concerned entirely with Article IV, specifically with section 400 of the act.

This article of the act provides in effect that any person taken into the Armed Forces may upon application continue to have the protection of as much as \$10,000 commercial life insurance during the term of his service in one of the branches of the Armed Forces, and for 2 years following service, even though he is not able to pay the premiums during the period of his service. The Veterans' Administration, in effect, guarantees the payment of premiums and interest thereon during the protection period, but this does not relieve the veteran of his obligation. If



the amount guaranteed is not paid prior to the end of the period and the Government pays any difference between that amount and the cash surrender value the veteran owes the Government the amount it has paid to the insurance company. A debt is set up against the veteran which is collectible from any monetary benefits which he may have due him by the United States, and if not available in this form steps are taken through other appropriate channels to collect this debt.

Since the inception of the program in 1940, until the present time, approximately 90,360 policies have been guaranteed under the terms of this act which involved an outlay on the part of the Veterans' Administration of about \$2,543,000. Of this amount, approximately \$2,282,000 has been collected from veterans by the Veterans' Administration, by setoff and otherwise, and the balance is in the process of being collected to the extent possible. It will thus be seen that this program has not been of great magnitude. In fact, it has been rather small in view of the millions of veterans who have been in the Armed Forces since 1940.

#### EXPLANATION OF THE BILL

The Special Investigating Subcommittee of the Committee on Armed Services of the House of Representatives recently had called to its attention the operations of an insurance company with its home office in a mid-western State which was taking advantage of this act in a manner not contemplated at the time of its approval by the Congress. The insurance agent obtained a list of prospective draftees and sold many of them two \$5,000 policies. At the time of the sale the insured paid a monthly premium of \$5 or \$10 and in many instances gave a promissory note for this amount and also executed a power of attorney to the agent. After the man was inducted into the service he received a postcard from the insurance agent advising him that his identification bracelet was ready if he would submit the necessary information. Upon receiving this card with the man's rank, serial number, etc., the insurance agent then proceeded to exercise the power of attorney and had the policy guaranteed by the Veterans' Administration. It will thus be noted that the insured had virtually no stake in this policy. Certainly such procedure was not contemplated by the framers of this law.

Section 400 (a) provides that the policy must have been in effect not less than 30 days before the date the insured entered into the military service. The purpose of this bill is to lengthen the period from 30 days to 180 days with the result that it will be necessary for the policyholder to have a substantial cash outlay, in most instances, in an insurance policy which he could then properly have guaranteed, if he wished, under this act. It is believed that this simple amendment will substantially eliminate the kind of abuse described above and prevent its recurrence in the future. However, the amendment would not impair the status of policies now under protection or applications for premium guaranty already made. Section 2 of the bill limits its effect to future applications.

No additional cost to the Government will accrue as a result of the enactment of this legislation and perhaps some losses will be averted.

The favorable report of the Veterans' Administration follows:

VETERANS' ADMINISTRATION,  
OFFICE OF THE ADMINISTRATOR  
OF VETERANS' AFFAIRS,  
Washington D. C., April 16, 1956.

HON. OLIN E. TEAGUE,  
Chairman, Committee on Veterans'  
Affairs, House of Representatives,  
Washington, D. C.:

DEAR MR. TEAGUE: This is in reference to your request for a report by the Veterans'

Administration on H. R. 10441, 84th Congress, a bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act.

As indicated by the title, the bill would amend subsection 400 (a) of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, to require that in order to qualify for Government guaranty of premiums a policy of commercial life insurance held by a person in the military service must have been in force not less than 180 days before the insured entered into the military service. The existing provision is that the policy must have been in effect not less than 30 days before entry into the service. The amendment would apply only to applications for Government guaranty of premiums made after it is enacted.

It is understood from discussions by representatives of the Veterans' Administration with the committee staff that this proposal is intended to provide a safeguard against the issuance and protection under the act of policies with relatively high premiums and low life-insurance benefits which are issued on a monthly premium basis but a short time prior to the insured's entry into service. These situations involve application for protection under the Civil Relief Act made by the company on behalf of the insured pursuant to a power of attorney executed by the insured. The fear has been expressed that in some instances insureds have not been properly informed and do not have a clear understanding of their repayment obligations under the law.

Article IV of the Soldiers' and Sailors' Civil Relief Act, as amended, provides that upon proper application the premiums and interest thereon with respect to certain types of private life-insurance contracts, not exceeding in an individual case the amount of \$10,000, shall be guaranteed for the period of military service and 2 years thereafter. If the amount guaranteed is not paid prior to the end of the protection period, the amount then due will be treated by the insurer as a loan on the policy, but if at the end of such period the cash surrender value is less than the amount then due, the United States is obligated to pay to the insurer the difference between that amount and the cash surrender value. Section 406 of the act, as amended, specifically provides that the amount paid by the United States to an insurer on account of applications approved under article IV shall become a debt due to the United States by the insured, and that such indebtedness may be collected either by deduction from any amount due the insured by the United States or as otherwise authorized by law.

Entitlement to these benefits is not automatic, but requires the filing of written application. Only a small percentage of those engaged in military service have heretofore availed themselves of this assistance. This apparently results from the fact that the law merely provides a moratorium on premiums and interest payments and does not relieve against liability for repayment. Hence, there has been no particular financial advantage to be gained in most cases. An indication of the relatively small use made of this program which had its inception in 1940 is the fact that the total number of cases which had been approved for protection under article IV through the end of March 1956 was 90,356, and that as of the same date the total number of cases currently under protection was 1,013.

It is of interest to note the amount which has been paid throughout the life of the program by the Government to insurers under the Government guaranty. Such payments through the end of February 1956 amounted to a cumulative total of \$2,542,373. However, very little actual loss has been sustained since there have been collections by the Vet-

erans' Administration throughout the same period amounting to \$2,281,992. About 60 percent of these collections have been through setoff against national service life insurance dividends and the remainder through setoffs against other veterans' benefits or by way of direct remittances. Some items which were not considered collectible have been referred to the General Accounting Office for any possible collections which may be made through that agency.

An analysis of policies placed under the protection of the act during the past 6 months indicates that all of them except those of the type heretofore mentioned and about which particular concern has been expressed were in force more than 6 months as of the date of entry into service. In the light of this experience it may reasonably be expected that enactment of the bill would not have the effect of eliminating any considerable number of cases of insurance policies affording substantial life-insurance benefits and obtained under conditions of proper deliberation and full information shortly prior to entering the military service. This is, of course, dependent upon a continuation of present conditions of military service and induction. The situation at the time of the enactment of the basic law and its amendments was different, involving the wholesale mobilization of great numbers of persons with less time or opportunity to plan ahead. It seems probable, on the other hand, that the requirement that the insurance must have been in force at least 6 months prior to service will tend to curb hasty and ill-considered purchase of insurance in anticipation of Government protection under the act and without a full appraisal of the repayment obligations of the insured.

The effects of the bill on cost to the Government under this program cannot be estimated in any precise degree. It is believed that there would be a slight saving represented by the eventual cost of unrepaid claims on future cases which would be covered under the act as it exists but would not be eligible for coverage if this amendment is enacted.

The current volume of applications for protection under article IV of the Soldiers' and Sailors' Civil Relief Act is exceedingly small, and the problem at which the bill is directed is necessarily limited under present conditions in terms of the numbers affected. However, it is recognized that abuses, however small in number, should be corrected to the extent feasible. Although it is quite possible that some worthy cases involving the purchase of insurance on a carefully planned basis shortly prior to entering military service will be excluded, it is believed, considered as a whole, that the beneficial effects of the bill would outweigh these possible detriments. Accordingly, the Veterans' Administration is of the view that the bill merits favorable consideration by the committee.

Due to the urgent request of the committee for a report on this measure, there has not been sufficient time in which to ascertain from the Bureau of the Budget the relationship of the proposed legislation to the program of the President.

Sincerely yours,

H. V. HIGLEY,  
Administrator.

RAMSEYER RULE

In accordance with clause 3 of rule XIII of the Rules of the House of Representatives, the changes made in existing law by the bill are shown as follows (existing law proposed to be omitted is in black brackets; new matter is in italics; existing law in which no changes are proposed is shown in roman):

"ARTICLE IV, PUBLIC LAW 861, 76TH CONGRESS, AS AMENDED

"Article IV—Insurance

"SEC. 400 (50 Appendix U. S. C. 540). As used in this article—







84<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 8385

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IN THE SENATE OF THE UNITED STATES

MAY 9 (legislative day, MAY 7), 1956

Read twice and referred to the Committee on Interior and Insular Affairs

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## AN ACT

To transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the authority, functions, obligations, and documents  
4       relating to Puerto Rican hurricane relief loans to individual  
5       coffee planters, coconut planters, fruitgrowers, or other  
6       agriculturists (45 Stat. 1067, and 45 Stat. 1627, as modi-  
7       fied by 49 Stat. 926 and 49 Stat. 928), heretofore trans-  
8       ferred to the Division of Territories and Island Possessions,  
9       Department of the Interior, pursuant to the public resolution

1 of June 3, 1935 (49 Stat. 320), and to the Secretary of  
2 the Interior pursuant to Reorganization Plan Numbered 3  
3 of 1950 (64 Stat. 1262), are hereby transferred to the  
4 Secretary of Agriculture. The authority of the Secretary of  
5 Agriculture described in the Act of December 20, 1944,  
6 and in section 41 (g) of the Bankhead-Jones Farm Tenant  
7 Act, as amended (7 U. S. C., sec. 1015 (g)), is hereby  
8 extended, as additional authority, to apply to the obliga-  
9 tions and documents transferred by this section.

10 SEC. 2. The Secretary of Agriculture is hereby author-  
11 ized to sell to the Commonwealth of Puerto Rico the obliga-  
12 tions and documents transferred to him by section 1 hereof,  
13 for such consideration as may be consistent with the purposes  
14 of the resolution of Congress creating the Puerto Rico Hurri-  
15 cane Relief Commission.

16 SEC. 3. There are hereby transferred to the Public  
17 Housing Commissioner all right, title, and interest, including  
18 contractual rights and reversionary interests, held by the Fed-  
19 eral Government in and with respect to the apartment de-  
20 velopment in San Juan, Puerto Rico, known as the Falan-  
21 sterio Apartments, heretofore administered by the Secretary  
22 of the Interior. All of the powers, duties, and responsibilities  
23 of the Secretary of the Interior under the private sales con-  
24 tract executed on July 1, 1948, by the United States, repre-  
25 sented by the Assistant Administrator of the Puerto Rico



1 Reconstruction Administration, and the Cooperative Asso-  
2 ciation of the Falansterio, and transferred to the Secretary  
3 of the Interior pursuant to Reorganization Plan Numbered  
4 3 of 1950 (64 Stat. 1262), are hereby transferred to the  
5 Public Housing Commissioner. If, under the terms of the  
6 private sales contract or otherwise the Public Housing Com-  
7 missioner takes possession of the Falansterio Apartments,  
8 or any part thereof, he is authorized to improve and admin-  
9 ister the property, to release, convey, or reconvey any part  
10 thereof, and to otherwise dispose of the remaining property.  
11 Notwithstanding any other provision of law, any funds col-  
12 lected by the Public Housing Commissioner under this section  
13 shall be available for expenses incurred by him hereunder.

14 SEC. 4. The Public Housing Commissioner is hereby  
15 authorized to sell to the Commonwealth of Puerto Rico, for  
16 such consideration mutually agreeable, the rights, title, and  
17 interest transferred to him by Section 3 hereof with respect  
18 to the Falansterio Apartments, and to transfer to the Com-  
19 monwealth of Puerto Rico the powers, duties, and responsi-  
20 bilities under the private sales contract executed on July 1,  
21 1948, mentioned in Section 3 hereof.

22 SEC. 5. Any funds collected by the Secretary of Agri-  
23 culture under sections 1 and 2 hereof, may be credited to  
24 appropriations current at the time such funds are received,

1 to the extent necessary to reimburse such appropriation for  
2 expenditures required in the administration of this Act.

3 SEC. 6. All deeds pertaining to property of the Puerto  
4 Rico Reconstruction Administration executed by the Secre-  
5 tary of the Interior or his designees subsequent to February  
6 15, 1955, are hereby confirmed.

7 SEC. 7. This Act shall take effect upon its approval.

Passed the House of Representatives May 7, 1956.

Attest:

RALPH R. ROBERTS,

*Clerk.*



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**AN ACT**

To transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

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May 9 (legislative day, May 7), 1956  
Read twice and referred to the Committee on Interior  
and Insular Affairs





## AN ACT

to amend the law relating to the jurisdiction of the courts of the State in cases involving the title to land, and for other purposes.

Enacted at the City of Washington on this 1st day of June, 1907.

# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued June 5, 1956  
For actions of June 4, 1956  
84th-2nd, No. 91

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HIGHLIGHTS: See page 7.

## SENATE

1. APPROPRIATIONS. The Appropriations Committee reported with amendments H. R. 972C, the Labor-HEW appropriation bill for 1957 (S. Rept. 2093); and H. R. 10003, the D. C. appropriation bill for 1957 (S. Rept. 2094). p. 8457  
Made the Labor-HEW appropriation bill its unfinished business for consideration today. p. 8498
2. FORESTRY. Passed without amendment H. R. 9822, to require the Interior Department to establish a trout hatchery in the Pisgah National Forest, N. C. Sen. Flanders discussed, but did not submit, an amendment to this bill to provide for the reconstruction and equipment of the fish hatchery in the Green Mountain National Forest, and stated that he would introduce a bill for this purpose. This bill is now ready for the President. p. 8497
3. PERSONNEL. Passed without amendment H. R. 3255, to preserve the basic compensation of classified employees whose positions are reclassified to a lower grade. This bill is now ready for the President. p. 8498

4. EXPORT CONTROL. The Banking and Currency Committee ordered reported with amendment H. R. 9052, to extend the Export Control Act of 1949 for 2 years. p. D558
5. DEFENSE PRODUCTION. The Banking and Currency Committee ordered reported with amendments S. 3407, to extend the Defense Production Act of 1950. p. D558
6. PUBLIC LANDS. An Interior and Insular Affairs subcommittee ordered reported with amendments to the full committee H. R. 4096, to provide for the disposal of public lands within highway, telephone, and pipeline withdrawals in Alaska, subject to appropriate easements. p. D558
7. FARM LOANS. An Interior and Insular Affairs subcommittee ordered reported without amendment to the full committee H. R. 8385, to transfer to the Secretary of Agriculture the responsibilities relating to Puerto Rican hurricane relief loans. p. D558
8. SCHOOL MILK. Sen. Aiken inserted a statement of congressional intent in extending benefits of the special school milk program to certain child-care institutions and summer camps, which stated that it was the "prevailing desire of the committee to direct extension of the milk program to summer camps and to settlement houses, orphanages, and other similar institutions which were serving economically underprivileged children." p. 8479
9. PUBLIC POWER. Sen. Neuberger inserted a newspaper editorial opposing the development of Niagara Falls hydroelectric project. p. 8487
10. MONOPOLIES. Sen. Butler inserted his statement reviewing and commending the Administration's antitrust enforcement record. p. 8499
11. LEGISLATIVE PROGRAM. Majority Leader Johnson announced that the Labor-HEW and D. C. appropriation bills would be taken up today, and that the social security bill would be considered later this week. p. 8458

#### HCUSE

12. APPROPRIATIONS. Agreed to the conference report on H. R. 9390, the Interior Department appropriation bill for 1957 (including Forest Service items). p. 8503  
Conferees were appointed on H. R. 10899, the Commerce Department appropriation bill for 1957. p. 8503 Senate conferees were appointed on May 31.
13. FARM LOANS. The Agriculture Committee reported with amendment H. R. 11544, to improve and simplify the credit facilities available to farmers and to amend the Bankhead-Jones Farm Tenant Act (H. Rept. 2260) (pp. 8511, 8517). Regarding this bill, the Committee issued the following statement on June 1:  
"The Committee on Agriculture today unanimously ordered reported a bill by Chairman Cooley (H.R. 11544) which will make important changes in the direct loan programs of the Department of Agriculture administered by the Farmers Home Administration.  
"The bill was drafted by the Conservation and Credit Subcommittee after extended consideration of more than a score of bills dealing with various aspects of the Farmers Home Administration loan programs. As reported by the committee, the bill will provide additional funds for emergency loan programs, authorize refinancing of existing farm debts, provide assistance to part-time farmers, and complement the Great Plains Program and the special program for low-income farmers.









# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued June 13, 1956  
For actions of June 12, 1956  
84th-2nd, No. 97

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HIGHLIGHTS: House debated conference report on bill to provide Federal assistance to small irrigation projects. House received conference report on Commerce appropriation bill. Senate subcommittee ordered reported bills to establish town-sites from national forests, establish forest experiment station in N. Dak., and broaden present authority for use and occupancy of land within national forests. Senate committee ordered reported bill to transfer Puerto Rican hurricane relief funds to USDA. House committee ordered reported bill to amend Public Law 480. House subcommittee ordered reported bill to provide civil penalties for violations of Federal Seed Act.

## SENATE

1. THE AGRICULTURE AND FORESTRY SUBCOMMITTEE on Soil Conservation and Forestry ordered reported to the full committee the following bills: (p. D609)
    - H.R. 426, without amendment, providing for the establishment of townsites from national forests or land administered under the Bankhead-Jones Farm Tenant Act.
    - S. 2900, without amendment, providing for the establishment and maintenance of a forest experiment station in N. Dak.
    - S. 2216, with amendment, to amend the act of March 4, 1915, to permit the use and occupancy of national forest lands for industrial and commercial purposes, and by States or political subdivisions for constructing facilities for education or other public uses.
    - S. 3133, with amendment, providing for the conveyance of certain real property to the city of Boise, Idaho.
- The "Daily Digest" states that "the subcommittee agreed to hold hearings at dates in the near future on S. 1359, regarding consent of congressional committees for sale of certain lands acquired by U. S. under title III of Bankhead-Jones Farm Tenant Act, and S. 3727, to amend the Watershed Protection and Flood Prevention Act." p. D609



2. THE INTERIOR AND INSULAR AFFAIRS COMMITTEE ordered reported the following bills:  
(p. D610)

H.R. 8385, without amendment, to transfer to the Secretary of Agriculture the responsibilities relating to Puerto Rican hurricane relief loans.

S. 3512, without amendment, to permit desert-land entries on disconnected tracts of lands which, in the case of any one entryman, form a compact unit and do not exceed in the aggregate 320 acres.

S. 3665, with amendment, to allow a homesteader settling on unsurveyed public land in Alaska to make single final proof prior to survey of the lands.

S. 3743, with amendment, to transfer certain land from the Lassen National Forest to the Lassen Volcanic National Park, Calif.

#### HOUSE

3. APPROPRIATIONS. Received the conference report on H.R. 10899, the Commerce Department and related agencies appropriation bill for 1957 (H. Rept. 2344). pp. 9070, 9105

Rep. Rabaut requested and received permission for the conference committee to file a report on H.R. 10003, the D. C. appropriation bill for 1957, by not later than Tues., June 12 midnight. p. 9067

4. RECLAMATION. Began debate on the conference report on H.R. 5881, to provide Federal assistance to local irrigation districts, water districts, and other public agencies in the construction of small projects, but deferred a vote until Wed., June 13. pp. 9068, 9071

5. FOREIGN TRADE. The Agriculture Committee ordered reported H.R. 11708, to amend the Agricultural Trade Development and Assistance Act of 1954, after a consideration of H.R. 11403 and H.R. 11443, similar bills. p. D611

Rep. Bailey criticized a proposal to finance surveys on the effect of tariff policies on domestic industries by Federal funds, and inserted a letter questioning the completeness of a Minnesota survey of this nature. p. 9103

6. SEED. The Equipment, Supplies, and Manpower Subcommittee of the Agriculture Committee ordered reported to the full committee S. 1688, to remove the criminal penalty for inadvertent violations of the Federal Seed Act and to prescribe civil penalties for such violations of the Act. p. D611

7. EXTENSION WORK. Rep. Dixon paid tribute to the 24th National 4-H Club Camp and commended the 4-H clubs for their activities. p. 9092

8. DAIRYING. Rep. Dixon cited the publication, Dairy Situation, for indicating that cash receipts from dairy products would be above the 1955 level. p. 9092

9. POULTRY. Rep. Rogers, Mass., criticized the importation of certain poultry products from Argentina and Canada as being detrimental to Mass. poultry producers. p. 9094

10. EDUCATION. Received from HEW a proposed bill "to encourage and assist the States in the establishment of State Committees on Education Beyond the High School"; to the Education and Labor Committee. p. 9105

11. FORESTRY. The Interior and Insular Affairs Committee reported without amendment H.R. 9974, to authorize the cutting of timber, the manufacture and sale of lumber, and the preservation of the forests on the Menominee Indian Reservation in Wis. (H. Rept. 2331). p. 9105







# Digest of CONGRESSIONAL PROCEEDINGS

## OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued June 27, 1956  
For actions of June 26, 1956  
84th-2nd, No. 106

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HIGHLIGHTS: House committee reported bills to: Decrease review period for watershed projects. Extend school milk program to certain institutions. Permit certain cotton futures purchasing. Prescribe the civil penalties for violations of Federal Seed Act. Permit certain USDA-State-local employee exchanges. Both Houses agreed to conference report on road bill. Ready for President. Senate committee reported bill to transfer Puerto Rican hurricane loans to USDA. (Continued on page 5)

### SENATE

1. ROADS. Both Houses agreed to the conference report on H. R. 10660, the road bill. This bill will now be sent to the President. (See Digest 105 for items of interest). pp. 9901, 9925
2. LOANS. The Interior and Insular Affairs Committee reported without amendment H. R. 8385, to transfer responsibility for administration of Puerto Rican hurricane relief loans to USDA (S. Rept. 2352). p. 9885
3. HELLS CANYON DAM. The Interior and Insular Affairs Committee submitted its report on S. 1333, to authorize construction of the Hells Canyon Dam (S. Rept. 2275). p. 9886  
Sen. Goldwater commented on the costs of construction of the dam, and inserted an article relative to such costs. p. 9889  
Sen. Neuberger commented on the construction of the dam, and inserted several letters regarding it. p. 9919
4. PERSONNEL. The Post Office and Civil Service Committee submitted its report on S. Res. 294, to extend the time for a study of the Government employees security program (S. Rept. 2370). pp. 9886, D684

Sen. Johnston urged passage of S. 2875, the retirement bill, and criticized efforts to modify its provisions. p. 9892

5. APPROPRIATIONS. Passed, <sup>with amendments</sup> by a vote of 88 to 0, H. R. 10986, the Defense Department appropriation bill for 1957. Conferees were appointed. pp. 9893, 9909
6. FARM PRICES. Sen. Douglas inserted and commented on the annual report of the Ill. Farm Bureau Farm Management Service showing the income for different types and sizes of farms, and suggested that this Department attempt to raise farm prices. p. 9899
7. MUTUAL SECURITY. H. R. 11356, the mutual security bill was made the unfinished business for consideration today. Sen. Johnson stated that probably a vote on the bill would be taken on Thurs. or Fri. p. 9919
8. FORESTRY. Sen. Neuberger inserted a newspaper editorial supporting the creation of a national wilderness preservation system. p. 9920
9. LEGISLATIVE PROGRAM. Sen. Johnson announced that H. R. 10285, the farm credit bill, and S. 3903, to amend P. L. 480, may be considered this week; and that there would not be a Senate session on July 4. pp. 9889, 9921
10. PUBLIC LANDS. The Interior and Insular Affairs Committee reported the following bills: p. 9885  
S. 3828, without amendment, to clarify the law relating to the grant of certain public lands to the States for school purposes (S. Rept. 2365).  
S. 3773, with amendment, to provide for an extension of the time during which annual assessment work on certain unpatented mining claims may be made (S. Rept. 2362).

#### HOUSE

11. WATER POLLUTION. Received the conference report on S. 890, to extend and strengthen the Water Pollution Control Act (H. Rept. 2479). The bill provides for the preparation, development, and administration of programs relating to the control of water pollution by the Public Health Service, establishes a Water Pollution Control Advisory Board in the Public Health Service for the study and recommendations relating to water pollution, and provides for Federal-State-local cooperation in the control of water pollution and authorizes to be appropriated \$3 million for fiscal year 1957 and each succeeding year through fiscal year 1961. pp. 9932, 9975
12. GRAINS. Concurred in Senate. <sup>amendment to</sup> H. R. 7641, which authorizes the Interior Department to requisition from CCC such wheat, corn, and other grains as CCC certifies to be available from its price-support inventories for the purpose of feeding migratory waterfowl such as ducks and geese, provides that Interior will reimburse CCC for expenses of packaging and transportation, and authorizes appropriations to reimburse CCC for its investment in the grain. p. 9937  
Ready for President.
13. APPROPRIATIONS. Received the conference report on H. R. 10003, the D. C. appropriation bill for 1957. pp. 9971, 9975
14. EXPORT CONTROL. Received the conference report on H. R. 9052, to extend the Export Control Act of 1949 for an additional 2 years (H. Rept. 2485). pp. 9972, 9975



TRANSFERRING CERTAIN RESPONSIBILITIES OF THE SECRETARY  
OF THE INTERIOR TO THE PUBLIC HOUSING COMMISSIONER  
AND THE SECRETARY OF AGRICULTURE

JUNE 26, 1956.—Ordered to be printed

Mr. JACKSON, from the Committee on Interior and Insular Affairs,  
submitted the following

## R E P O R T

[To accompany H. R. 8385]

The Committee on Interior and Insular Affairs, to whom was referred the bill (H. R. 8385) to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes, having considered the same, report favorably thereon without amendments and recommend that the bill do pass.

The committee held a hearing on the measure, which was submitted by the Administration and has the approval of the elected Resident Commissioner from Puerto Rico, Hon. Antonio Fernós-Isern.

Committee action was unanimous.

### EXPLANATION OF MEASURE

H. R. 8385 was described by a Department of Interior spokesman at the subcommittee hearing as a "housekeeping" measure. It would transfer Federal responsibilities in connection with management of certain real property in Puerto Rico from the Secretary of the Interior to the Public Housing Commissioner and to the Secretary of Agriculture.

The real property in question consists of a large apartment house, now cooperatively owned, and equitable interests in lands held by a number of small farmers covered by loans from the Federal Government. Previously, these loans were serviced and the apartment house financing managed by the Puerto Rican Reconstruction Administration (PRRA), a Federal relief organization set up in the 1930's.

By joint resolution dated August 15, 1953 (67 Stat. 584), the Secretary of the Interior was directed to liquidate by February 15, 1955, the

PRRA. With the exception of the two activities which are the subject of the bill under consideration, the liquidation was completed prior to the termination date.

#### SECTIONAL ANALYSIS

The first activity concerns loans made by the Puerto Rico Relief Commission, an agency which was established in 1928 and abolished in 1935 when its functions were transferred to the Department of the Interior. This Commission serviced the collection of payments to the United States from the Puerto Rico Reconstruction Administration. Inasmuch as the hurricane relief activities performed by PRRA were not statutory, they could not be terminated with the liquidation of PRRA, therefore the Department of the Interior arranged to transfer these functions to the Department of Agriculture. The respective Departments agreed that legislation would ultimately be proposed to accomplish the transfer to the Department of Agriculture of the Interior Department's responsibility with regard to hurricane relief loans. Section 1 of this bill will achieve this result.

Section 2 authorizes the Secretary of Agriculture to sell to the Commonwealth of Puerto Rico the obligations and documents transferred to him for such consideration as set forth by the establishment of the Puerto Rico Hurricane Relief Commission.

Section 3 pertains to the Falansterio Apartments, a housing development in San Juan, P. R., constructed by PRRA during 1936 and 1937 for the sum of \$668,000. In 1948 the property was sold to the present owners for the sum of \$601,800 under contract whereby 1 percent of the sales price would be paid quarterly to the United States for 25 years. The contract currently has approximately 18 years to run. In order to protect the United States financial interest in this contract, the Department of the Interior arranged for the Public Housing Commissioner to service the sales contract until appropriate legislation could be enacted to effect the transfer of the Interior Department's responsibilities under the Falansterio contract to the Public Housing Administration. Section 3 will effect this transfer.

Section 3 also provides that notwithstanding any other provision of law, funds collected by the Public Housing Commissioner under this section shall be available for expenses incurred by him for the purposes of this act.

Section 4 authorizes the Public Housing Commissioner to sell to the Commonwealth of Puerto Rico for just consideration the rights, title, and interest transferred to him by section 3 above with respect to the Falansterio Apartments, and to transfer to the Commonwealth of Puerto Rico the powers, duties and responsibilities under the Falansterio contract executed on July 1, 1948.

Section 5 authorizes the Secretary of Agriculture to reimburse his appropriations for expenditures required in carrying out sections 1 and 2 of H. R. 8385.

Section 6 confirms any deeds executed by the Secretary of the Interior or his designees with respect to PRRA subsequent to February 15, 1955.

Section 7 provides that this legislation will become effective upon its approval.



## EXECUTIVE AGENCY REPORTS

The executive communication from the Department of the Interior, and the favorable reports of the Department of Agriculture and of the Housing and Home Finance Agency of the Public Housing Administration to the House Interior Committee are as follows:

UNITED STATES DEPARTMENT OF THE INTERIOR,

OFFICE OF THE SECRETARY,

Washington 25, D. C., January 5, 1956.

Hon. SAM RAYBURN,

*Speaker of the House of Representatives,*

*Washington 25, D. C.*

MY DEAR MR. SPEAKER: Enclosed herewith is a draft of a proposed bill to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes. I suggest that the proposed bill be referred to the appropriate committee for consideration and I recommend that it be enacted.

The joint resolution of August 15, 1953 (67 Stat. 584), directed the Secretary of this Department to liquidate by February 15, 1955, the Puerto Rico Reconstruction Administration, an agency of this Department established in 1935. The liquidation was accomplished on the appointed date. Two activities of the Puerto Rico Reconstruction Administration could not, however, be terminated on that date, and these have consequently been performed since then by other agencies of the executive branch. The purpose of the proposed bill is to transfer statutory responsibility for these activities to such other agencies.

The first activity relates to loans made by the Puerto Rico Hurricane Relief Commission, an agency which was established in 1928 (45 Stat. 1067, as amended, 45 Stat. 1627), and abolished in 1935 (49 Stat. 320), when its functions were transferred to an agency of this Department. As a consequence of internal administrative arrangements, the Puerto Rico Reconstruction Administration, from 1946 until its liquidation, serviced the collection of payments to the United States from Puerto Rico hurricane relief loan debtors. The activities which the Puerto Rico Reconstruction Administration performed with regard to hurricane relief debtors were not statutory, and they could thus not be terminated with the liquidation of PRRA. That being so, this Department arranged to transfer to the Department of Agriculture its functions under the public resolution of December 21, 1928, which had hitherto been performed by PRRA. Pursuant to section 601 of the Economy Act (31 U. S. C., sec. 656), the Department of Agriculture has consequently, since February of this year, been servicing the collection of loans from hurricane relief debtors, on behalf of the Department of the Interior. The respective Departments agreed that legislation would ultimately be proposed to accomplish the transfer to the Department of Agriculture of the Interior Department's responsibility with regard to hurricane relief loans, and section 1 of the proposed bill would achieve this result.

Section 2 of the proposed bill pertains to the Falansterio Apartments, a housing development which was constructed by the Puerto Rico Reconstruction Administration in San Juan during 1936 and 1937 for the sum of \$668,000. On July 1, 1948, the property was

sold to the Cooperative Association of the Falansterio for the sum of \$601,800. Under the terms of the sales contract between the United States and the cooperative association, the latter is required to pay 1 percent of the sales price quarterly for 25 years. The contract currently has approximately 18 years to run. In order to protect the United States' financial interest in this contract, this Department, also pursuant to arrangements concluded under section 601 of the Economy Act, provided for the servicing of the sales contract after February of this year by the Public Housing Commissioner. It was again agreed by the agencies involved that appropriate legislation would be proposed to effect the transfer of the Interior Department's responsibilities under the Falansterio contract to the Public Housing Administration. Section 2 of the proposed bill would accomplish this result.

Section 3 would authorize the Secretary of Agriculture and the Public Housing Commissioner to reimburse their appropriations for expenditures required in carrying out sections 1 and 2 of the proposed bill. Section 4 would confirm any deeds executed by the Secretary of the Interior or his designees with respect to PRRA property subsequent to February 15, 1955. Certain deeds pertaining to property conveyed by the Puerto Rico Reconstruction Administration prior to its liquidation have subsequently required correction, and the purpose of section 4 is to confirm that such deeds were properly executed. Section 5 provides that the proposed bill will become effective upon its approval.

The Bureau of the Budget has advised that there is no objection to the presentation of this proposed legislation to the Congress.

Sincerely yours,

WESLEY A. D'EWART,  
*Assistant Secretary of the Interior.*

A BILL To transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the authority, functions, obligations, and documents relating to Puerto Rican hurricane relief loans to individual coffee planters, cocoanut planters, fruit growers, or other agriculturists (45 Stat. 1067, and 45 Stat. 1627, as modified by 49 Stat. 926 and 49 Stat. 928), heretofore transferred to the Division of Territories and Island Possessions, Department of the Interior, pursuant to the public resolution of June 3, 1935 (49 Stat. 320), and to the Secretary of the Interior pursuant to Reorganization Plan No. 3 of 1950 (64 Stat. 1262), are hereby transferred to the Secretary of Agriculture. The authority of the Secretary of Agriculture described in the Act of December 20, 1944, and in section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C., sec. 1015 (g)), is hereby extended, as additional authority, to apply to the obligations and documents transferred by this section.

SEC. 2. There are hereby transferred to the Public Housing Commissioner all right, title, and interest, including contractual rights and reversionary interests, held by the Federal Government in and with respect to the apartment development in San Juan, Puerto Rico, known as the Falansterio Apartments, heretofore administered by the Secretary of the Interior. All of the powers, duties, and responsibili-

ties of the Secretary of the Interior under the Private Sales Contract executed on July 1, 1948, by the United States, represented by the Assistant Administrator of the Puerto Rico Reconstruction Administration, and the Cooperative Association of the Falansterio, and transferred to the Secretary of the Interior pursuant to Reorganization Plan No. 3 of 1950 (64 Stat. 1262), are hereby transferred to the Public Housing Commissioner. If, under the terms of the Private Sales Contract, the Public Housing Commissioner takes possession of the Falansterio Apartments, or any part thereof, he is authorized to improve and administer the property, to release or convey any part thereof, and to otherwise dispose of the remaining property when he finds that any breach in the terms of the Private Sales Contract cannot be cured to permit redelivery of possession thereunder.

SEC. 3. Any funds collected by the Secretary of Agriculture under section 1 hereof, or by the Public Housing Commissioner under section 2 hereof, may be credited to appropriations current at the time such funds are received, to the extent necessary to reimburse such appropriation for expenditures required in the administration of this Act.

SEC. 4. All deeds pertaining to property of the Puerto Rico Reconstruction Administration executed by the Secretary of the Interior or his designee subsequent to February 15, 1955, are hereby confirmed.

SEC. 5. This Act shall take effect upon its approval.

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DEPARTMENT OF AGRICULTURE,  
OFFICE OF THE SECRETARY,  
Washington, February 27, 1956.

HON. CLAIR ENGLE,  
*Chairman, Committee on Interior and Insular Affairs,*  
*House of Representatives.*

DEAR CONGRESSMAN ENGLE: This is in reply to your request of January 16 for a report on H. R. 8385, a bill to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

The Department recommends the enactment of the proposed legislation with respect to the provisions of the bill in which the Department would be directly concerned, and has no objection to other provisions in the bill not affecting the Department.

The Department of Agriculture would have no direct interest in the provisions in items (3) and (5) above.

In connection with the liquidation of the Puerto Rico Reconstruction Administration pursuant to the requirements of Public Law 276, 83d Congress, the Department of the Interior, by letter dated February 3, 1955, proposed a transfer of responsibility for the servicing and collection of Puerto Rican hurricane relief loans to the Department of Agriculture, effective February 1, 1955, and indicated that, if this Department agreed to the proposal, the Department of the Interior would initiate legislation to permanently effect such a transfer. In a letter dated February 10, 1955, this Department informed the Department of the Interior of concurrence in the proposal. Subsequent to this exchange of correspondence, the records of accounts



resulting from Puerto Rican hurricane relief loans, which had been maintained by the Puerto Rico Reconstruction Administration in Puerto Rico, were transferred to the offices of the Farmers' Home Administration, an agency of the Department, in Puerto Rico where they are now housed and serviced.

H. R. 8385 would (1) transfer from the Secretary of the Interior to the Secretary of Agriculture the authority, functions, obligations, and documents relating to Puerto Rican hurricane relief loans to individual coffee planters, coconut planters, fruit growers, or other agriculturists (45 Stat. 1067, and 45 Stat. 1627, as modified by 49 Stat. 926 and 49 Stat. 928), including the responsibility for the servicing and collection of such loans; (2) authorize the Secretary of Agriculture to settle debts resulting from Puerto Rican hurricane relief loans pursuant to the authorities of Public Law 518, approved December 20, 1944, and section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended; (3) transfer from the Secretary of the Interior to the Public Housing Commissioner all rights, title, and interest with respect to the apartment development in San Juan, P. R., heretofore administered by the Secretary of the Interior; (4) authorize the Secretary of Agriculture and the Public Housing Commissioner to credit to current appropriations any funds collected pursuant to the above authorities to the extent necessary to reimburse such appropriations for expenditures required in the administration of these authorities; and (5) confirm deeds executed by the Secretary of the Interior or his designees subsequent to February 15, 1955, pertaining to property of the Puerto Rico Reconstruction Administration.

There are approximately 200 accounts outstanding with unpaid balances amounting to a little over \$108,000. The loans were made in amounts ranging from \$50 to \$20,000 each, to provide relief to individual coffee planters, coconut planters, fruit growers, and other agriculturists, as a result of damages sustained during the Puerto Rican hurricane in September 1928. We are informed that the loans were secured by first or second liens on real estate, primarily by the latter. Some of the borrowers will undoubtedly be eligible for the benefits of debt settlement if the proposed legislation is enacted. Others may be in a position to make payment to the Government under a servicing program.

Since the Department of the Interior is no longer in a position to service these accounts because of the abolishment of the Puerto Rico Reconstruction Administration, and since the Farmers' Home Administration maintains offices in Puerto Rico to deal directly with farm families, it seems appropriate that the Puerto Rican hurricane relief loan accounts still outstanding should be transferred to the Department of Agriculture.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely yours,

TRUE D. MORSE,  
*Acting Secretary.*



HOUSING AND HOME FINANCE AGENCY,  
OFFICE OF THE ADMINISTRATOR,  
Washington 25, D. C., March 9, 1956.

Re H. R. 8385, 84th Congress.

Hon. CLAIR ENGLE,

*Chairman, Committee on Interior and Insular Affairs,  
House of Representatives, Washington 25, D. C.*

DEAR CONGRESSMAN ENGLE: This is in further reply to your letter of February 28, requesting the views of this Agency with respect to H. R. 8385, a bill to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

Under the provisions of this bill affecting this Agency there would be transferred to the Public Housing Commissioner all of the powers, duties, and responsibilities of the Secretary of the Interior with respect to the apartment development in San Juan, P. R., known as the Falansterio Apartments, under the private sales contract of July 1, 1948, between the Puerto Rico Reconstruction Administration and the Cooperative Association of the Falansterio. If the cooperative association should default under its contract, the Public Housing Commissioner could take possession of the property, or any part thereof, improve and administer it, release or convey any part thereof, and make other disposition of the remaining property.

This Agency would have no objection to the enactment of this bill with the following amendments:

1. In line 24 on page 2, insert "or otherwise" before the comma; in line 2 on page 3 after the word "release" strike out "or convey" and insert in lieu thereof ", convey, or reconvey"; and in line 3 on page 3 after the word "property" insert a period and strike out the balance of the sentence. It is possible that possession of the property could be acquired through means other than under the terms of the private sales contract. These amendments would permit the Public Housing Commissioner to take the necessary action after acquisition of possession under the sales contract or otherwise and to reconvey possession when he deems it warranted.

2. Add the following sentence at the end of section 2: "Notwithstanding any other provision of law, any funds collected by the Public Housing Commissioner under this section shall be available for expenses incurred by him hereunder." In lines 7 and 8 on page 3, delete the following: ", or by the Public Housing Commissioner under section 2 hereof,". We are not certain of the effect of section 3 and are, therefore, proposing simple language that would make income available for expenses subject to the usual annual budgetary limitations submitted to and approved by Congress. This change does not affect the provisions of section 3 relating to the Secretary of Agriculture.

In view of a request from Mr. Taylor, of your staff, for an immediate report, this is being sent to you prior to clearance with the Bureau of the Budget. As soon as the Bureau's views are obtained, we will send you a supplemental report.

Sincerely yours,

ALBERT M. COLE,  
*Administrator.*

HOUSING AND HOME FINANCE AGENCY,  
URBAN RENEWAL ADMINISTRATION,  
*Washington 25, D. C., March 23, 1956.*

Re H. R. 8385, 84th Congress.

Hon. CLAIR ENGLE,

*Chairman, Committee on Interior and Insular Affairs,  
House of Representatives, Washington 25, D. C.*

DEAR CONGRESSMAN ENGLE: This is to supplement my report of March 9 with respect to H. R. 8385, a bill to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

We have been informed by the Bureau of the Budget that this report is without objection insofar as the Bureau is concerned.

Sincerely yours,

ALBERT M. COLF,  
*Administrator.*

The Committee on Interior and Insular Affairs recommends the enactment of H. R. 8385.



Calendar No. 2376

84TH CONGRESS  
2D SESSION

# H. R. 8385

[Report No. 2352]

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## IN THE SENATE OF THE UNITED STATES

MAY 9 (legislative day, MAY 7), 1956

Read twice and referred to the Committee on Interior and Insular Affairs

JUNE 26, 1956

Reported by Mr. JACKSON, without amendment

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## AN ACT

To transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*  
3        That the authority, functions, obligations, and documents  
4        relating to Puerto Rican hurricane relief loans to individual  
5        coffee planters, coconut planters, fruitgrowers, or other  
6        agriculturists (45 Stat. 1067, and 45 Stat. 1627, as modi-  
7        fied by 49 Stat. 926 and 49 Stat. 928), heretofore trans-  
8        ferred to the Division of Territories and Island Possessions,  
9        Department of the Interior, pursuant to the public resolution  
10       of June 3, 1935 (49 Stat. 320), and to the Secretary of

1 the Interior pursuant to Reorganization Plan Numbered 3  
2 of 1950 (64 Stat. 1262), are hereby transferred to the  
3 Secretary of Agriculture. The authority of the Secretary of  
4 Agriculture described in the Act of December 20, 1944,  
5 and in section 41 (g) of the Bankhead-Jones Farm Tenant  
6 Act, as amended (7 U. S. C., sec. 1015 (g)), is hereby  
7 extended, as additional authority, to apply to the obliga-  
8 tions and documents transferred by this section.

9 SEC. 2. The Secretary of Agriculture is hereby author-  
10 ized to sell to the Commonwealth of Puerto Rico the obliga-  
11 tions and documents transferred to him by section 1 hereof,  
12 for such consideration as may be consistent with the purposes  
13 of the resolution of Congress creating the Puerto Rico Hurri-  
14 cane Relief Commission.

15 SEC. 3. There are hereby transferred to the Public  
16 Housing Commissioner all right, title, and interest, including  
17 contractual rights and reversionary interests, held by the Fed-  
18 eral Government in and with respect to the apartment de-  
19 velopment in San Juan, Puerto Rico, known as the Falan-  
20 sterio Apartments, heretofore administered by the Secretary  
21 of the Interior. All of the powers, duties, and responsibilities  
22 of the Secretary of the Interior under the private sales con-  
23 tract executed on July 1, 1948, by the United States, repre-  
24 sented by the Assistant Administrator of the Puerto Rico



1 Reconstruction Administration, and the Cooperative Asso-  
2 ciation of the Falansterio, and transferred to the Secretary  
3 of the Interior pursuant to Reorganization Plan Numbered  
4 3 of 1950 (64 Stat. 1262), are hereby transferred to the  
5 Public Housing Commissioner. If, under the terms of the  
6 private sales contract or otherwise the Public Housing Com-  
7 missioner takes possession of the Falansterio Apartments,  
8 or any part thereof, he is authorized to improve and admin-  
9 ister the property, to release, convey, or reconvey any part  
10 thereof, and to otherwise dispose of the remaining property.  
11 Notwithstanding any other provision of law, any funds col-  
12 lected by the Public Housing Commissioner under this section  
13 shall be available for expenses incurred by him hereunder.

14 SEC. 4. The Public Housing Commissioner is hereby  
15 authorized to sell to the Commonwealth of Puerto Rico, for  
16 such consideration mutually agreeable, the rights, title, and  
17 interest transferred to him by Section 3 hereof with respect  
18 to the Falansterio Apartments, and to transfer to the Com-  
19 monwealth of Puerto Rico the powers, duties, and responsi-  
20 bilities under the private sales contract executed on July 1,  
21 1948, mentioned in section 3 hereof.

22 SEC. 5. Any funds collected by the Secretary of Agri-  
23 culture under section 1 and 2 hereof, may be credited to  
24 appropriations current at the time such funds are received,

1 to the extent necessary to reimburse such appropriation for  
 2 expenditures required in the administration of this Act.

3 SEC. 6. All deeds pertaining to property of the Puerto  
 4 Rico Reconstruction Administration executed by the Secre-  
 5 tary of the Interior or his designees subsequent to February  
 6 15, 1955, are hereby confirmed.

7 SEC. 7. This Act shall take effect upon its approval.

Passed the House of Representatives May 7, 1956.

Attest:

RALPH R. ROBERTS,

*Clerk.*





84TH CONGRESS  
2D SESSION

**H. R. 8385**

[Report No. 2352]

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# AN ACT

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To transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

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MAY 9 (legislative day, May 7), 1956

Read twice and referred to the Committee on Interior  
and Insular Affairs

JUNE 26, 1956

Reported without amendment







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued July 3, 1956  
For actions of July 2, 1956  
84th-2nd, No. 110

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Daylight time.....56	Mutual security.....6	Transportation.....13,28,52
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HIGHLIGHTS: Senate committees reported bills to increase debt limit and provide for Presidential appointments and Senate confirmation of chief legal officers. Senate passed bills to: Celebrate anniversary of conservation movement. Transfer Puerto Rican hurricane loans to USDA. Ready for President. Regulate orange coloring. Ready for President. Senate made Public Law 480 bill its unfinished business.  
(Continued on page 8)

## SENATE

1. PUBLIC DEBT. The Finance Committee reported without amendment H. R. 11740, to provide for a \$3 billion increase in the public-debt limit for the fiscal year 1957 (S. Rept. 2398). p. 10426
2. LEGAL OFFICERS. The Government Operations Committee reported with amendments S. 4076, to provide for Presidential appointment and Senate confirmation of certain chief departmental legal officers (S. Rept. 2397). p. 10426
3. CONSERVATION. Passed as reported S. J. Res. 139, to provide for the observance and commemoration of the 50th anniversary of the first conference of State governors for the protection of the natural resources of the U. S. p. 10442
4. FARM LOANS. Passed without amendment H. R. 8385, to transfer from Interior to Agriculture the collection of certain Puerto Rican hurricane loans. This bill will now be sent to the President. p. 10449
5. ORANGE COLORING. Passed without amendment H. R. 7732, to amend the Federal Food, Drug, and Cosmetic Act to regulate the coloring of oranges. This bill will now

be sent to the President. p. 10456

6. APPROPRIATIONS. Both Houses passed without amendment H. J. Res. 671, to make temporary appropriations in connection with 1957 appropriation measures which have not yet been enacted, including mutual security items in an amount of \$200 million. The measure had been reported by the House Appropriations Committee earlier in the day (H. Rept. 2550). This measure will now be sent to the President. pp. 10462, 10496, 10560
7. TEXTILE IMPORTS. The Finance Committee reported with amendments S. Res. 236, to direct the Tariff Commission to investigate whether imports of textiles or textile products are affecting injuriously the domestic industry (S. Rept. 2401). p. 10426
8. PERSONNEL; EXPENDITURES. The Joint (Byrd) Committee on Reduction of Nonessential Federal Expenditures submitted its report for May 1956. p. 10426
9. FORESTRY. Passed as reported S. 3743, to add certain national forest land to the Lassen Volcanic National Park, Calif. p. 10434  
Discussed and, at the request of Sen. Bible, passed over H. R. 5712, to provide that the U. S. hold in trust for the Pueblos of Zia and Jemez a part of the Ojo del Espiritu Santo grant and a small area of public domain adjacent thereto, including certain title 3 Bankhead-Jones lands. p. 10434
10. PUBLIC LANDS. Passed H. R. 10504, to allow a homesteader settling on unsurveyed public land in Alaska to make single final proof prior to survey of the lands, with an amendment to substitute the language of S. 3665 as reported. p. 10438
11. TRADE PRACTICES. Passed with amendments S. 2017, to amend the Criminal Code so as to prohibit the misuse by collecting agencies or private detective agencies of names, emblems, and insignia to indicate Federal agency. pp. 10449, 10455  
Discussed and, at the request of Sen. Johnston, passed over S. 2891, to amend the Criminal Code so as to prohibit the use by certain businesses of the initials "U. S." in the business or firm or pictures of the Capitol building and other U. S. public buildings in their advertising. p. 10455
12. RECLAMATION. Sen. Neuberger inserted and commended editorials favoring reclamation projects. p. 10431  
Passed without amendment H. R. 6643, to amend the reclamation laws to provide that excess lands acquired by foreclosure or inheritance may receive water temporarily for 5 years. This bill will now be sent to the President. p. 10452  
Passed as reported S. 2217, to provide for transfer of title to irrigation distribution systems constructed under the Federal reclamation laws upon completion of repayment of the costs thereof. p. 10452  
Sen. Watkins inserted an article by F. P. Champ opposing the Hells Canyon Dam. p. 10465
13. TRANSPORTATION. Passed without amendment S. 2145, providing for revision and printing of a compilation of Federal laws relating to regulation of carriers subject to the Interstate Commerce Act. p. 10453
14. WATER RESEARCH. Sen. Watkins spoke in favor of additional research in converting salt water to fresh water and inserted an article regarding construction of a conversion plant in Aruba. p. 10464
15. ATOMIC ENERGY. Sen. Anderson spoke in favor of legislation to provide for additional peacetime uses of atomic energy. p. 10487



Mr. President, I have no objection to adoption of the resolution.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 296) was considered and agreed to, as follows:

*Resolved*, That the Senate does not favor the suspension of deportation in the case of each alien hereinafter named in which case the Attorney General has suspended deportation pursuant to section 244 (a) (1) of the Immigration and Nationality Act (8 U. S. C. 1254 (a) (1)):

A-5163473, Henriksen, Charles Emil.

E-092802, Petrolekas, Christos Ioannis.

A-9836943, Van Thoai, Nguyen.

#### PROHIBITION OF MISUSE OF NAMES, EMBLEMS, AND INSIGNIA TO INDICATE FEDERAL AGENCY; AND OF USE OF INITIALS "U. S." IN ADVERTISING—BILLS PLACED AT FOOT OF CALENDAR

The bill (S. 2017) to amend title 18 of the United States Code so as to prohibit the misuse by collecting agencies of names, emblems, and insignia to indicate Federal agency was announced as next in order.

Mr. BIBLE. Mr. President, may we have an explanation of the bill?

Mr. JOHNSTON of South Carolina. Mr. President, the purpose of the bill, as amended, is to amend title 18 by adding a provision which would prohibit the misuse by collecting agencies and private detective agencies of names, emblems, and insignia to indicate Federal agency. In the recent past there have been repeated occurrences in which private businesses have used as a part of their letterheads and advertising such names as "National," "Federal," "United States," in such style as "Reverification Office" or "Claims Office," and with pictures of the Capitol or other emblems which, with a Washington, D. C., mailing address, are reasonably calculated to deceive, and have deceived, numerous persons and businesses in the past. Such practices tend to bring discredit upon the Federal Government. This bill would make such acts subject to criminal penalties.

The Department of Justice makes no recommendation regarding the bill, but has suggested that such a prohibition, if enacted, also be applied to private detective agencies, inasmuch as the files of the department contain complaints referring to such practices both by collecting agencies and such detective agencies. The committee, upon consideration of the facts, has amended the bill to include private detective agencies, and has further amended the bill by the inclusion of a savings clause giving a 60-day grace period.

After a careful study of the record, the committee recommends that S. 2017 be favorably considered.

Mr. BIBLE. Mr. President, I wish to thank the Senator from South Carolina for the explanation of the bill.

I think the bill is good proposed legislation, and I think the same is true of the

bill following it on the calendar. My only concern is that the bill we are now discussing calls for a fine of not more than \$10,000 and for imprisonment for not more than 10 years, or both, whereas the following bill on the calendar has had stricken from it any reference to a term in prison for violation. I wonder why one bill calls for a fine of \$10,000, whereas the other bill calls for a fine of \$10,000 and a prison sentence. That is the only point I raise.

Mr. JOHNSTON of South Carolina. As I recall, the Senator from Texas [Mr. DANIEL], the chairman of the subcommittee, recommended that that be done with respect to S. 2017 because of the deceitful nature of the offense.

Mr. BIBLE. That is provided for in one bill. But in the other bill, no prison sentence is provided for—although I may be in error about that.

Mr. JOHNSTON of South Carolina. With respect to S. 2891, existing law provides for imprisonment of not more than 1 year, therefore the bill does not touch on that. If the Senator from Nevada wishes to have the bill passed over, we can consider it further.

Mr. BIBLE. I wonder whether the bill may go to the foot of the calendar, inasmuch as this bill provides for one penalty, and the bill following it on the calendar provides for a different penalty.

Mr. JOHNSTON of South Carolina. The reason is that the subcommittee recommended that the bill S. 2017 be reported in that manner, because it sets up a new section of the code, and the full committee took a similar view, whereas in the case of the other bill, an imprisonment provision already exists. However, it might be better to have both bills provide the same term.

Mr. BIBLE. That is what I would suggest.

Therefore, Mr. President, I ask that this bill and the following bill on the calendar—Calendar No. 2375, Senate bill 2891—be placed at the foot of the calendar.

The PRESIDING OFFICER. Without objection, Senate bill 2017 will be placed at the foot of the calendar.

Without objection, Calendar No. 2375, Senate bill 2891, to amend section 709 of title 18 of the United States Code so as to prohibit the use by certain businesses of the initials "U. S." in the business or firm name or pictures of the Capitol Building and other public buildings of the United States in their advertising and to increase the penalties for violation of such section, will also be placed at the foot of the calendar.

#### TRANSFER OF CERTAIN RESPONSIBILITIES OF THE SECRETARY OF THE INTERIOR

The bill (H. R. 8385) to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

#### OBLIGATION BONDS OF THE TERRITORY OF HAWAII

The bill (H. R. 9768) relating to general obligation bonds of the Territory of Hawaii amending Public Laws 640 and 643 of the 83d Congress (68 Stat. 782, ch. 889 and 68 Stat. 785, ch. 892), and ratifying certain provisions of Act 273, Session Laws of Hawaii, 1955, which authorizes issuance of public improvement bonds for schools in the city and county of Honolulu and the county of Hawaii was considered, ordered to a third reading, read the third time, and passed.

#### ISSUANCE OF CERTAIN HIGHWAY BONDS, HAWAII

The bill (H. R. 7426) to ratify and confirm Act 249 of the Session Laws of Hawaii, 1955, as amended, and to authorize the issuance of certain highway revenue bonds by the Territory of Hawaii was considered, ordered to a third reading, read the third time, and passed.

#### AUTHORIZATION FOR ISSUANCE OF CERTAIN BONDS, TERRITORY OF HAWAII

The bill (H. R. 9769) to enable the Legislature of the Territory of Hawaii to authorize the issuance of certain bonds city and county of Honolulu, a municipal corporation, to issue general obligation bonds was considered, ordered to a third reading, read the third time, and passed.

#### CHANGE OF NAME OF BEDLOE'S ISLAND, N. Y., TO LIBERTY ISLAND

The resolution (S. J. Res. 114) to change the name of Bedloe's Island in New York Harbor to Liberty Island was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Resolved, etc.*, That Bedloe's Island, which is located in New York Harbor, shall hereafter be known as Liberty Island, and any law, regulation, document, or record of the United States in which such island is designated or referred to under the name Bedloe's Island shall be held to refer to such island under and by the name of Liberty Island.

The preamble was agreed to.

#### REGISTRATION OF ARCHITECTS AND PROFESSIONAL ENGINEERS, CANAL ZONE

The bill (H. R. 7811) to amend the Canal Zone Code by the addition of provisions relative to the registration of architects, and professional engineers and the regulation of their practice was considered, ordered to a third reading, read the third time, and passed.

#### EXPERIMENTAL OPERATION AND TESTING OF VESSELS

The bill (H. R. 11027) to amend title VII of the Merchant Marine Act, as amended, 1936, to provide for experimental operation and testing of vessels owned



by the United States was considered, ordered to a third reading, read the third time, and passed.

Mr. BIBLE. Mr. President, inasmuch as this measure was requested by the Secretary of Commerce, I ask unanimous consent that a letter and an explanatory statement from the Secretary of Commerce be printed at this point in the RECORD.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF COMMERCE,  
Washington, July 22, 1955.

The PRESIDENT of the Senate,  
United States Senate,  
Washington, D. C.

DEAR MR. PRESIDENT: There is submitted herewith draft and statement of purpose and provisions of a bill to amend title VII of the Merchant Marine Act, 1936, as amended, to provide for experimental operation and testing of vessels owned by the United States.

The Department of Commerce is engaged in a Liberty ship conversion, engine improvement, and cargo handling betterment program, designed to develop the possibilities and potentialities of ships in the national reserve fleet. In view of the rapid obsolescence of the war-built merchant fleet, both active and reserve, it is highly desirable that developments in vessel design and propulsion, and cargo handling facilities on ships, should be carefully tested in actual use. In order that the results can be analyzed and determinations made for the benefit of Government and industry. The testing of vessels converted or constructed for experimental purposes will enable the Government more effectively to plan for the use of our defense reserve fleet in the event of emergency need, assist in obtaining more efficient use of old vessels, and speed up the technical development of new additional and replacement vessels. Test operation of experimental ships will, of course, be highly important in developing the practical possibilities for use of nuclear energy for propulsion of merchant vessels.

The purpose and provisions of the proposed legislation are set forth in detail in the accompanying statement.

Since the first of the converted Liberty ships will be ready for testing operations this summer, the Department urges early consideration and enactment of the proposed legislation.

The Director of the Bureau of the Budget has advised that there would be no objection to the submission of the proposed legislation.

Sincerely yours,

SINCLAIR WEEKS,  
Secretary of Commerce.

STATEMENT OF PURPOSE AND PROVISIONS OF BILL  
TO AMEND TITLE VII OF THE MERCHANT MARINE ACT, 1936, TO PROVIDE FOR THE EXPERIMENTAL OPERATION AND TESTING OF VESSELS OWNED BY THE UNITED STATES

The Department of Commerce, Maritime Administration, is engaged in a Liberty ship conversion, engine improvement, and cargo handling betterment program, designed to develop the possibilities and potentialities of the ships in the national defense reserve fleet. The purpose is to conserve the national investment in the war-built fleet, to measure the capabilities of this fleet in defense and mobilization requirements, and to assist in the development of merchant ship propulsion and cargo handling. In view of the rapid obsolescence of the war-built fleet, both active and reserve, and in view of the necessity for the Government to take the lead in the development of ship design, re-conversion of hulls and propulsion machin-

ery, and the development of cargo handling practices and facilities, the results of these far-reaching experiments and developments should be consolidated and expanded as an economical means of improving the capabilities and defense potentialities of our merchant fleet, both privately owned and Government-owned, in the interest of both commerce and defense.

The Maritime Administration is contracting for the conversion of 4 Liberty ships, including experimental repowering with 4 different powerplants, involving a very substantial increase in speed, and, in addition, will install modern developments in cargo handling gear in 2 of these conversions. These developments must be tested in actual use in order that the results can be analyzed and determinations made for the benefit of Government and industry. This can best be done by active cooperation with private steamship owners and operators who are interested in the improvement of their own services. It is believed that such owners and operators, even though not interested in the immediate purchase or commercial charter of experimental ships, will be interested in using such ships as additional or substitute ships in their services, whether in foreign or domestic operations, under suitable arrangements with the Government. In this way the most effective use of tests and the data and information resulting therefrom can be secured. This procedure is clearly consistent with the provisions of law contained in the Merchant Marine Act, 1936, particularly in such provisions as section 211 and section 212 (c). The emphasis in existing law, of course, is placed upon new construction. The current problem facing our merchant marine is the replacement of obsolete vessels as rapidly as possible, in order to avoid block obsolescence of the entire fleet of war-built vessels. Conversion and improvement of war-built vessels and the testing of such converted vessels and modern equipment will enable the Government to effectively plan for the use of our defense reserve fleet in the event of emergency need, to assist in obtaining cheaper and more efficient operation of both old and new vessels, and to speed up the technical development of new ship designs.

The conversion program underway involves the expenditure of some \$11 million, and the current budget proposal contemplates a program of special mobilization ships, in addition to the current experimental conversion of the four Liberty ships. One of the Liberty ships will be ready for testing operations in the summer of 1955.

The Merchant Marine Act, 1936, and the Merchant Ship Sales Act of 1946, contain provisions for the operation and charter of Government-owned merchant ships. However, the authority is subject to provisions geared to war or emergency operation on the one hand and supplementary peacetime operation on the other. The Department should have permanent authority for experimental operation to be conducted by United States citizen steamship owners and operators or other departments of the Government, such as Defense, under general agency or bareboat charters. While it is contemplated that the vessels would be used in actual shipping operations for relatively short periods in order to secure realistic results, the charters and agencies could not be handled on a strictly commercial basis because of the unknown capabilities of the vessels and their equipment and the uncertainties of the results from a commercial standpoint. It is expected that private operators may be willing to use experimental ships as additional or substitute ships in their services and it is contemplated that a vessel may well be tested in different trades and services. The test operations must be carefully observed and studied to appraise performance and determine need for perfecting improvements. It is contemplated that some ships

converted with new type power units in the initial program now underway should be operated in coastal or nearby ocean waters, in order to have technical Government, shipyard, and industry personnel and facilities readily available. Some of the ships may be operated in regular berth service, with particular attention to efficiency of experimental cargo gear. From the defense viewpoint, test in operation, with particular attention to practical defense requirements for merchant ships, can best be conducted directly by the Defense Establishments. It is necessary, therefore, that the proposed authority be general and flexible. The draft bill would set out the purposes of the experimental operation, and leave discretion in the Secretary of Commerce as to the means and arrangements under which the test operations would be conducted. It is anticipated that the operations would be under bareboat charters wherever practical, with resort to general agency operation only where definitely necessary. In all cases operations should be conducted with full protection of private owners and with the purpose of making results of operations and tests fully available to the industry.

The proposed legislation provides that bareboat charters would be made at reasonable rates of charter and would include provisions for protection of the public interest, with provisions for recapture of profits as provided in chartering under title VII of the Merchant Marine Act, 1936. Both charters and general agency agreements entered into would be reviewed not less than annually for the purpose of determining whether conditions justify continuance of the charter or agreement. Operations, including employment of seamen through general agents, would be subject to the provisions of law establishing the vessel operations revolving fund (Public Law 45, 82d Cong.; 65 Stat. 52, 59).

Inasmuch as the first of the Liberty ship conversions will be completed very soon, the Department of Commerce recommends early action on the proposed legislation.

MORTON J. KRAKOW

The bill (H. R. 2267) for the relief of Morton J. Krakow was considered, ordered to a third reading, read the third time, and passed.

FLORIDA STATE HOSPITAL

The bill (H. R. 5522) for the relief of the Florida State Hospital was considered, ordered to a third reading, read the third time, and passed.

MRS. KATHRYN M. BAKER

The bill (H. R. 5526) for the relief of Mrs. Kathryn M. Baker was considered, ordered to a third reading, read the third time, and passed.

GRANTING OF STATUS OF REGULAR  
SUBSTITUTES IN THE POSTAL  
FIELD SERVICE

The Senate proceeded to consider the bill (S. 3592) to provide in certain additional cases for the granting of the status of regular substitutes in the postal field service, which had been reported from the Committee on Post Office and Civil Service with an amendment to strike out all after the enacting clause and insert:

That the appointment of each employee of the Post Office Department who—







Public Law 692 - 84th Congress  
Chapter 565 - 2d Session  
H. R. 8385

AN ACT

To transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the authority, functions, obligations, and documents relating to Puerto Rican hurricane relief loans to individual coffee planters, coconut planters, fruitgrowers, or other agriculturists (45 Stat. 1067, and 45 Stat. 1627, as modified by 49 Stat. 926 and 49 Stat. 928), heretofore transferred to the Division of Territories and Island Possessions, Department of the Interior, pursuant to the public resolution of June 3, 1935 (49 Stat. 320), and to the Secretary of the Interior pursuant to Reorganization Plan Numbered 3 of 1950 (64 Stat. 1262), are hereby transferred to the Secretary of Agriculture. The authority of the Secretary of Agriculture described in the Act of December 20, 1944, and in section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C., sec. 1015 (g)), is hereby extended, as additional authority, to apply to the obligations and documents transferred by this section.

Interior.  
Transfer of responsibilities relating to Puerto Rico.

58 Stat. 836.  
12 USC 1150 et seq.  
50 Stat. 529.

SEC. 2. The Secretary of Agriculture is hereby authorized to sell to the Commonwealth of Puerto Rico the obligations and documents transferred to him by section 1 hereof, for such consideration as may be consistent with the purposes of the resolution of Congress creating the Puerto Rico Hurricane Relief Commission.

Sale of obligations, Puerto Rico.

SEC. 3. There are hereby transferred to the Public Housing Commissioner all right, title, and interest, including contractual rights and reversionary interests, held by the Federal Government in and with respect to the apartment development in San Juan, Puerto Rico, known as the Falansterio Apartments, heretofore administered by the Secretary of the Interior. All of the powers, duties, and responsibilities of the Secretary of the Interior under the private sales contract executed on July 1, 1948, by the United States, represented by the Assistant Administrator of the Puerto Rico Reconstruction Administration, and the Cooperative Association of the Falansterio, and transferred to the Secretary of the Interior pursuant to Reorganization Plan Numbered 3 of 1950 (64 Stat. 1262), are hereby transferred to the Public Housing Commissioner. If, under the terms of the private sales contract or otherwise the Public Housing Commissioner takes possession of the Falansterio Apartments, or any part thereof, he is authorized to improve and administer the property, to release, convey, or reconvey any part thereof, and to otherwise dispose of the remaining property. Notwithstanding any other provision of law, any funds collected by the Public Housing Commissioner under this section shall be available for expenses incurred by him hereunder.

Falansterio Apartments.

Public Housing Commissioner.  
Powers, etc.

70 Stat. 525.  
70 Stat. 526.

SEC. 4. The Public Housing Commissioner is hereby authorized to sell to the Commonwealth of Puerto Rico, for such consideration mutually agreeable, the rights, title, and interest transferred to him by Section 3 hereof with respect to the Falansterio Apartments, and to transfer to the Commonwealth of Puerto Rico the powers, duties, and responsibilities under the private sales contract executed on July 1, 1948, mentioned in Section 3 hereof.

SEC. 5. Any funds collected by the Secretary of Agriculture under sections 1 and 2 hereof, may be credited to appropriations current at the time such funds are received, to the extent necessary to reimburse such appropriation for expenditures required in the administration of this Act.

Funds for administration.



Confirmation  
of deeds.

SEC. 6. All deeds pertaining to property of the Puerto Rico Reconstruction Administration executed by the Secretary of the Interior or his designees subsequent to February 15, 1955, are hereby confirmed.

Effective date.

SEC. 7. This Act shall take effect upon its approval.

Approved July 11, 1956.

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